

# Idaho Economic Forecast

C.L. "Butch" Otter, Governor

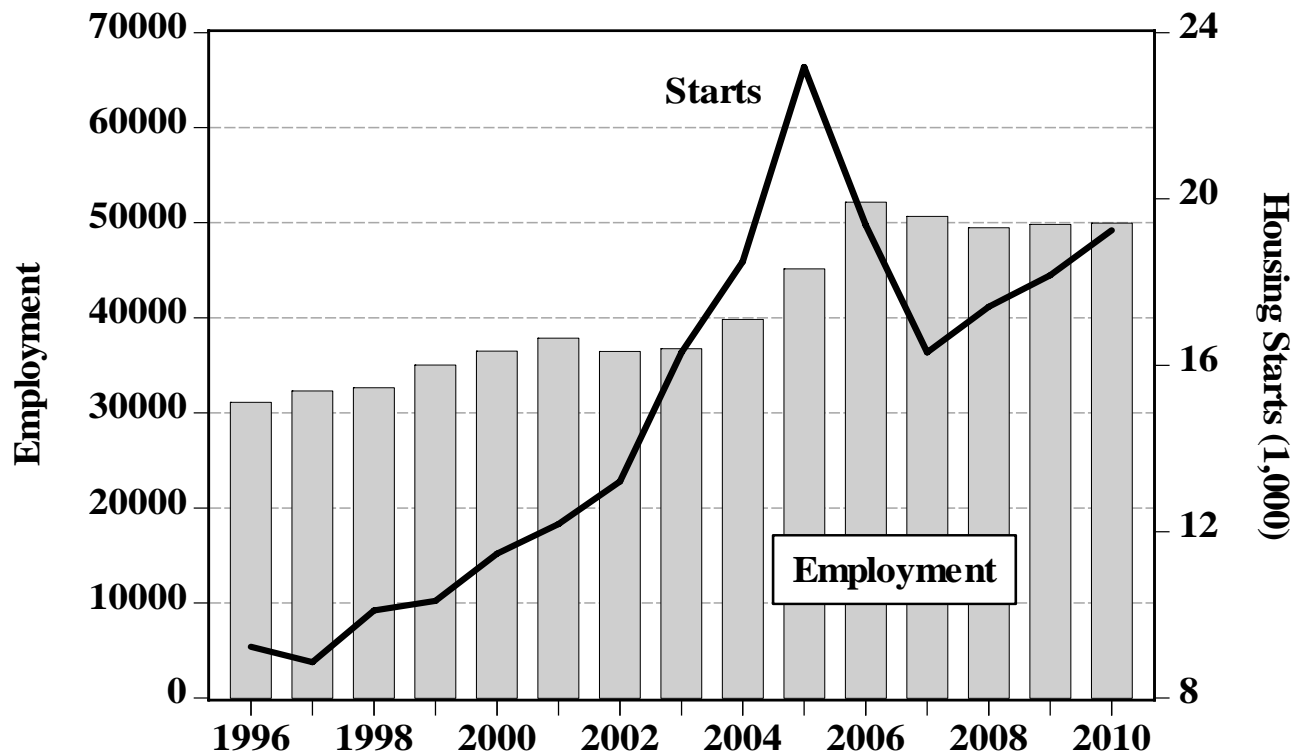
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- Forecast 2007-2010
- Will Fast Productivity Growth Persist?
- Alternative Forecasts

## Idaho Construction Employment and Housing Starts



**IDAHO  
ECONOMIC  
FORECAST  
2007 - 2010**

State of Idaho  
C.L. “BUTCH” OTTER  
Governor

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## PREFACE

Idaho's economy continues to grow and evolve as it enters the 21<sup>st</sup> Century. The 1980s was a decade of stop-and-start economic performance. However, it also ushered in one of the longest expansions in the state's history. Since 1987, nonfarm employment has expanded in every year and has consistently placed Idaho among the top ten fastest growing states in the nation. The 1990s saw a flood of new residents move into the state, causing the population to expand by an astounding 29% from 1990 to 2000. Over this period Idaho personal income nearly doubled. Much of the current expansion results from ongoing structural changes in Idaho's economy.

One of the biggest changes is the rise of the state's high-technology sector. Virtually nonexistent in the 1970s, this sector achieved critical mass in the 1990s to become the state's largest manufacturing employer. The growth of industry giants, such as Micron Technology and Hewlett-Packard, as well as the emergence and expansion of smaller companies, pushed payrolls above even the most optimistic forecasts made in the 1980s. The state's trade sector has also been going through a transformation. The last decade witnessed an influx of national "big box" merchandisers. During this same time, Idaho merchants successfully reached beyond the state's borders. Several regional shopping centers were established that serve locals, as well as attract shoppers from other states and Canada. Visitors fueled the surge in tourism that also benefited trade. Like its national counterpart, the service sector accounts for most of the nonfarm jobs in Idaho. Tourism has also been a boon to the service industry. While traditional factors, such as increasing discretionary income, continue to fuel the demand for services, other influences have emerged. For example, the use of temporary employees in manufacturing has bolstered business services employment. Idaho's outstanding work force has been a major factor in attracting call centers, back office operations, and credit card companies.

While many changes are taking place today, traditional resource industries still play a major role in Idaho's economy. Indeed, the state's mining, agriculture, and timber sectors all experienced lulls in the late 1990s. While displaying more resilience to downturns than in the past, these industries are not totally immune from business-cycle effects. This continuing dependence on natural resources will bring a host of challenges to Idaho.

Other factors that are external to the state's economy will also present challenges to decision makers. Public policy decisions made in Washington, D.C. affect resource industry and federal installations such as the Idaho National Laboratory and the Mountain Home Air Force Base. Finding balanced and acceptable solutions to endangered and threatened species issues and timber supply issues are of major economic significance.

In order to deal effectively with these challenges, public and private decisions need to be made with a thorough understanding of the structure of the state's economy. It is to this end that the *Idaho Economic Forecast* is directed.

**Division of Financial Management**  
700 W. Jefferson, Room 122  
P.O. Box 83720  
Boise, Idaho 83720-0032

**Economic Analysis Bureau**  
Michael H. Ferguson, Chief Economist  
Derek E. Santos, Economist  
(208) 334-3900

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## **INTRODUCTION**

The national forecast presented in this publication is the April 2007 Global Insight baseline forecast of the U.S. economy. The previous *Idaho Economic Forecast* is based on the December 2006 Global Insight baseline national forecast.

Two key measures of the state's construction industry health are featured on the cover of this forecast. They are housing starts and construction employment. As the cover graph shows, it appears that after enjoying strong growth in recent years, this sector will retreat slightly over the forecast period. One item which jumps out from the chart is that the number of Idaho housing starts peaked in 2005 and will decline through this year. This decline was anticipated, although it may be slightly steeper than previously believed. In spite of this, we continue to see this decline as a move to a more sustainable level of starts rather than a retreat. The chart shows construction employment will also take two years to adjust, but the correction will not start until 2007.

## **FEATURE**

National economic productivity boomed in the early 1960s, but slowed for two decades beginning with the 1970s. It has surged again in the mid-1990s, but slowed since the middle of 2004. This change has raised questions whether the current productivity slowdown is just a "pause" in the boom which started in the 1990s or a return to the growth rates of the 1970s and 1980s. This issue's feature article begins to answer this question by focusing on the factors that underlay the most recent productivity boom and what this means for the future.

## **THE FORECAST**

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. Global Insight examines the effects of different economic scenarios, including the potential impacts of international recessions, higher inflation, and future Federal Reserve Board decisions. Alternative Idaho economic forecasts were developed under different policy and growth scenarios at the national level. These forecasts are included in this report.

Historical and forecast data for Idaho and the U.S. are presented in the tables in the middle section of this report. Detail is provided for every year from 1993 to 2010 and for every quarter from 2004 through 2009. The solution of the Idaho Economic Model (IEM) for this forecast begins with the first quarter of 2007.

Descriptions of the Global Insight U.S. Macroeconomic Model and the IEM are provided in the Appendix. Equations of the IEM and variable definitions are listed in the last pages of this publication.

## **CHANGES**

The historical employment data used in this forecast was provided by the Idaho Department of Commerce and Labor and was seasonally adjusted by the Idaho Division of Financial Management (DFM). These data include a preliminary estimate for the last quarter of 2006. These data show Idaho nonfarm employment growth pace had cooled to 2.1% from a blistering 8.4% in the first quarter of 2006. Despite this slowdown, actual employment in the last quarter was slightly higher in the fourth quarter than had been forecast in January 2007, 645,583 versus 644,249. Part of the reason for this gain is the stronger-than expected job growth in the third quarter of last year. In January 2007 it was predicted Idaho nonfarm employment would advance at a 1.6% annual pace. Instead, it grew 3.0% in that quarter.

The tables in this forecast include the U.S. Bureau of Economic Analysis' (BEA) March 2007 estimates of Idaho quarterly personal income through the last quarter of 2006. The BEA will release its next round of Idaho quarterly personal income estimates on June 21, 2007. These data will be incorporated into the July 2007 *Idaho Economic Forecast*.

The *Idaho Economic Forecast* is available on the Internet at [http://dfm.idaho.gov/Publications/Econ\\_Publications.html](http://dfm.idaho.gov/Publications/Econ_Publications.html). Readers with any questions should contact Derek Santos at (208) 854-3070 or at [dsantos@dfm.idaho.gov](mailto:dsantos@dfm.idaho.gov).

## SUBSCRIPTIONS

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**Idaho Economic Forecast  
Division of Financial Management  
700 W. Jefferson, Room 122  
P.O. Box 83720  
Boise, Idaho 83720-0032**

**Or email to [info@dfm.idaho.gov](mailto:info@dfm.idaho.gov)**

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## EXECUTIVE SUMMARY

Last year proved to be another banner year for the Gem State's economy. Whether measured by jobs, population, or income growth Idaho has been on a roll recently. Indeed, after stalling in 2002, Idaho nonfarm employment growth has accelerated in every year since then, with its momentum pushing it to 4.6% in 2006—its strongest showing in a dozen years. A noteworthy facet of this strong showing is virtually all employment sectors posted gains last year. The U.S. Census Bureau estimates Idaho's July 1, 2006 population at 1,466,465 persons, or a gain of 2.6% from 2005. Idaho nominal personal income advanced nearly eight percent last year, versus 6.3% for the nation. A notable exception to last year's economic growth honor roll was housing starts. After peaking at 23,173 units in 2005, this measure slid by 16.4% to 19,374 units in 2006. Several factors suggest this year will be the most difficult, but starts will recover to more sustainable levels by the latter years of the forecast. These fundamentals include strong population growth, healthy income and employment growth, and relatively low interest rates and housing costs. Although these factors will not push the number of starts up to 2005's record showing, they should remain respectable by historical standards. After enjoying impressive growth in 2005 and 2006, Idaho's economy is anticipated to advance more slowly over the next few years. Nonfarm employment should increase 2.1% this year, 2.0% next year, 2.3% in 2009, and 2.9% in 2010. After advancing a heady 2.6% last year, Idaho's population is forecast to increase 2.3% in 2007, 2.1% in 2008, 2.0% in 2009, and 2.2% in 2010. Idaho nominal personal income is projected to advance 6.2% in 2007, 5.9% in 2008, 6.5% in 2009, and 7.3% in 2010. While nominal personal income growth is slower than in 2006, it should continue to grow faster than national personal income over the forecast horizon.

The U.S. economy ends 2006 like a lion, but starts 2007 like a lamb. After advancing by a subpar 2.0% annual pace in the third quarter of last year, real GDP posted a small rally in the last quarter, growing by 2.5%. The current forecast calls for output to slip to a 1.3% annualized rate in this year's first quarter. Real output is being held down by housing, software and equipment spending, and inventories. The housing sector has been a drag on the economy since the last quarter of 2005. Software and equipment spending has been soft recently. The biggest drag will come from inventories; it lops 1.3 percentage points off real GDP in the first quarter. The expected weakness during the first part of this year raises worries regarding risks to the forecast. A major concern is the subprime mortgage meltdown. Over the past few months, over two dozen lenders have filed for bankruptcy, sought buyers, or ceased operations. Meanwhile, both delinquency rates and foreclosures have risen sharply. The subprime adjustable-rate mortgages (ARM) are the biggest worry. About two-thirds of these ARMs will "reset" in the next two years, raising monthly mortgage payments, which points to more foreclosures down the road. It also points to lower housing demand, which dampens starts. The ripples from the impact of the weak housing sector could spill over into other sectors. Another worry is inflation. Although energy prices are expected to stabilize, the tight labor market is expected to continue exerting upward pressures on wages. This will make the Federal Reserve's job interesting. This forecast assumes the Federal Reserve will not make any serious policy mistakes. The U.S. economy is not expected to experience a recession over the next few years. After downshifting in the first quarter, real GDP growth should gradually move into higher gear. Specifically, it accelerates from 2.1% growth this year to 2.8% next year to 3.3% in 2009, and 3.1% in 2010.

**IDAHO ECONOMIC FORECAST  
EXECUTIVE SUMMARY  
APRIL 2007**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>U.S. GDP (BILLIONS)</b>												
Current \$	9,268	9,817	10,128	10,470	10,961	11,712	12,456	13,247	13,857	14,507	15,275	16,077
% Ch	6.0%	5.9%	3.2%	3.4%	4.7%	6.9%	6.3%	6.3%	4.6%	4.7%	5.3%	5.2%
2000 Chain-Weighted	9,470	9,817	9,891	10,049	10,301	10,704	11,049	11,415	11,652	11,974	12,366	12,754
% Ch	4.4%	3.7%	0.8%	1.6%	2.5%	3.9%	3.2%	3.3%	2.1%	2.8%	3.3%	3.1%
<b>PERSONAL INCOME - CURR \$</b>												
Idaho (Millions)	29,068	31,290	33,054	33,849	34,816	38,229	40,706	43,924	46,663	49,424	52,647	56,495
% Ch	6.5%	7.6%	5.6%	2.4%	2.9%	9.8%	6.5%	7.9%	6.2%	5.9%	6.5%	7.3%
Idaho Nonfarm (Millions)	28,054	30,448	32,039	32,921	34,099	37,085	39,768	43,013	45,673	48,382	51,559	55,362
% Ch	6.5%	8.5%	5.2%	2.8%	3.6%	8.8%	7.2%	8.2%	6.2%	5.9%	6.6%	7.4%
U.S. (Billions)	7,802	8,430	8,724	8,882	9,164	9,731	10,239	10,883	11,475	12,065	12,769	13,529
% Ch	5.1%	8.0%	3.5%	1.8%	3.2%	6.2%	5.2%	6.3%	5.4%	5.1%	5.8%	5.9%
<b>PERSONAL INCOME - 2000 \$</b>												
Idaho (Millions)	29,788	31,289	32,376	32,690	32,970	35,272	36,507	38,341	39,959	41,544	43,361	45,638
% Ch	4.8%	5.0%	3.5%	1.0%	0.9%	7.0%	3.5%	5.0%	4.2%	4.0%	4.4%	5.3%
Idaho Nonfarm (Millions)	28,748	30,447	31,382	31,795	32,290	34,216	35,665	37,546	39,111	40,668	42,465	44,723
% Ch	4.7%	5.9%	3.1%	1.3%	1.6%	6.0%	4.2%	5.3%	4.2%	4.0%	4.4%	5.3%
U.S. (Billions)	7,996	8,429	8,545	8,578	8,678	8,979	9,183	9,500	9,826	10,141	10,517	10,930
% Ch	3.4%	5.4%	1.4%	0.4%	1.2%	3.5%	2.3%	3.5%	3.4%	3.2%	3.7%	3.9%
<b>HOUSING STARTS</b>												
Idaho	10,335	11,469	12,184	13,206	16,312	18,489	23,173	19,374	16,314	17,411	18,161	19,245
% Ch	2.3%	11.0%	6.2%	8.4%	23.5%	13.3%	25.3%	-16.4%	-15.8%	6.7%	4.3%	6.0%
U.S. (Millions)	1,647	1,573	1,601	1,710	1,854	1,950	2,073	1,817	1,413	1,486	1,648	1,717
% Ch	1.6%	-4.5%	1.8%	6.8%	8.4%	5.2%	6.3%	-12.4%	-22.2%	5.1%	10.9%	4.2%
<b>TOTAL NONFARM EMPLOYMENT</b>												
Idaho	538,100	558,579	568,033	568,045	572,542	588,053	611,700	639,778	653,525	666,749	682,237	702,261
% Ch	3.4%	3.8%	1.7%	0.0%	0.8%	2.7%	4.0%	4.6%	2.1%	2.0%	2.3%	2.9%
U.S. (Thousands)	128,992	131,792	131,832	130,347	129,990	131,423	133,696	136,175	137,844	139,287	141,298	143,298
% Ch	2.4%	2.2%	0.0%	-1.1%	-0.3%	1.1%	1.7%	1.9%	1.2%	1.0%	1.4%	1.4%
<b>SELECTED INTEREST RATES</b>												
Federal Funds	5.0%	6.2%	3.9%	1.7%	1.1%	1.3%	3.2%	5.0%	5.2%	5.0%	5.0%	5.0%
Bank Prime	8.0%	9.2%	6.9%	4.7%	4.1%	4.3%	6.2%	8.0%	8.2%	8.0%	8.0%	8.0%
Existing Home Mortgage	7.3%	8.0%	7.0%	6.5%	5.7%	5.7%	5.9%	6.6%	6.4%	6.8%	7.0%	7.0%
<b>INFLATION</b>												
GDP Price Deflator	1.4%	2.2%	2.4%	1.7%	2.1%	2.8%	3.0%	2.9%	2.5%	1.9%	2.0%	2.0%
Personal Cons Deflator	1.7%	2.5%	2.1%	1.4%	2.0%	2.6%	2.9%	2.7%	1.9%	1.9%	2.1%	2.0%
Consumer Price Index	2.2%	3.4%	2.8%	1.6%	2.3%	2.7%	3.4%	3.2%	2.1%	1.9%	2.0%	1.9%

**National Variables Forecast by GLOBAL INSIGHT  
Forecast Begins the FIRST Quarter of 2007**

**IDAHO ECONOMIC FORECAST  
EXECUTIVE SUMMARY  
APRIL 2007**

	2006				2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>U.S. GDP (BILLIONS)</b>												
Current \$	13,008	13,197	13,323	13,458	13,644	13,781	13,926	14,077	14,242	14,412	14,597	14,775
% Ch	9.0%	5.9%	3.9%	4.1%	5.6%	4.1%	4.3%	4.4%	4.8%	4.8%	5.2%	5.0%
2000 Chain-Weighted	11,316	11,388	11,444	11,513	11,551	11,615	11,683	11,759	11,839	11,926	12,020	12,111
% Ch	5.6%	2.6%	2.0%	2.5%	1.3%	2.2%	2.4%	2.6%	2.7%	3.0%	3.2%	3.1%
<b>PERSONAL INCOME - CURR \$</b>												
Idaho (Millions)	42,822	43,832	44,191	44,851	45,716	46,418	46,960	47,558	48,331	49,071	49,767	50,527
% Ch	10.8%	9.8%	3.3%	6.1%	7.9%	6.3%	4.8%	5.2%	6.7%	6.3%	5.8%	6.3%
Idaho Nonfarm (Millions)	41,962	43,003	43,252	43,835	44,656	45,388	46,002	46,646	47,317	48,028	48,704	49,480
% Ch	11.0%	10.3%	2.3%	5.5%	7.7%	6.7%	5.5%	5.7%	5.9%	6.1%	5.8%	6.5%
U.S. (Billions)	10,721	10,807	10,939	11,066	11,286	11,406	11,535	11,672	11,825	11,984	12,142	12,310
% Ch	9.4%	3.2%	5.0%	4.7%	8.2%	4.3%	4.6%	4.9%	5.3%	5.5%	5.4%	5.6%
<b>PERSONAL INCOME - 2000 \$</b>												
Idaho (Millions)	37,747	38,257	38,347	39,012	39,434	39,794	40,124	40,483	40,923	41,357	41,733	42,161
% Ch	8.6%	5.5%	0.9%	7.1%	4.4%	3.7%	3.4%	3.6%	4.4%	4.3%	3.7%	4.2%
Idaho Nonfarm (Millions)	36,989	37,533	37,532	38,129	38,520	38,911	39,306	39,707	40,065	40,478	40,842	41,288
% Ch	8.8%	6.0%	0.0%	6.5%	4.2%	4.1%	4.1%	4.1%	3.7%	4.2%	3.6%	4.4%
U.S. (Billions)	9,451	9,433	9,493	9,625	9,735	9,778	9,856	9,936	10,013	10,100	10,182	10,272
% Ch	7.2%	-0.8%	2.6%	5.7%	4.7%	1.8%	3.2%	3.3%	3.1%	3.5%	3.3%	3.6%
<b>HOUSING STARTS</b>												
Idaho	23,122	21,311	18,350	14,714	15,955	16,204	16,392	16,705	17,097	17,420	17,472	17,655
% Ch	10.7%	-27.8%	-45.0%	-58.7%	38.3%	6.4%	4.7%	7.9%	9.7%	7.8%	1.2%	4.3%
U.S. (Millions)	2.123	1.873	1.714	1.559	1.474	1.393	1.377	1.408	1.440	1.463	1.499	1.541
% Ch	12.9%	-39.5%	-29.8%	-31.7%	-20.0%	-20.2%	-4.7%	9.5%	9.2%	6.8%	10.1%	11.7%
<b>TOTAL NONFARM EMPLOYMENT</b>												
Idaho	633,781	637,529	642,218	645,583	648,793	651,758	655,094	658,457	661,475	665,045	668,418	672,057
% Ch	8.4%	2.4%	3.0%	2.1%	2.0%	1.8%	2.1%	2.1%	1.8%	2.2%	2.0%	2.2%
U.S. (Thousands)	135,393	135,913	136,442	136,951	137,428	137,761	137,926	138,259	138,628	139,038	139,499	139,984
% Ch	2.2%	1.5%	1.6%	1.5%	1.4%	1.0%	0.5%	1.0%	1.1%	1.2%	1.3%	1.4%
<b>SELECTED INTEREST RATES</b>												
Federal Funds	4.5%	4.9%	5.2%	5.2%	5.3%	5.3%	5.1%	5.0%	5.0%	5.0%	5.0%	5.0%
Bank Prime	7.4%	7.9%	8.3%	8.3%	8.3%	8.3%	8.1%	8.0%	8.0%	8.0%	8.0%	8.0%
Existing Home Mortgage	6.4%	6.6%	6.8%	6.5%	6.4%	6.4%	6.5%	6.5%	6.6%	6.7%	6.9%	6.9%
<b>INFLATION</b>												
GDP Price Deflator	3.3%	3.3%	1.9%	1.7%	4.1%	1.8%	1.9%	1.7%	2.0%	1.8%	2.0%	1.8%
Personal Cons Deflator	2.0%	4.0%	2.4%	-1.0%	3.4%	2.5%	1.3%	1.5%	2.1%	1.9%	2.0%	2.0%
Consumer Price Index	1.9%	5.0%	3.1%	-2.1%	4.1%	2.8%	1.2%	1.5%	2.3%	1.9%	2.0%	2.0%

**National Variables Forecast by GLOBAL INSIGHT  
Forecast Begins the FIRST Quarter of 2007**

## NATIONAL FORECAST DESCRIPTION

### **The Forecast Period is the First Quarter of 2007 through the Fourth Quarter of 2010**

The U.S. economy ends 2006 like a lion, but starts 2007 like a lamb. After advancing by a subpar 2.0% annual pace in the third quarter of last year, real GDP posted a small rally in the last quarter, growing by 2.5%. On an annual basis, real output increased 3.3%, which is near its potential. This showing will not be repeated. The current forecast calls for output to slip to a 1.3% annualized rate in this year's first quarter. Real output is being held down by housing, software and equipment spending, and inventories. The housing sector has been a drag on the economy since the last quarter of 2005. It is expected to shave about 1.1 percentage points off real GDP in the first quarter. Software and equipment spending has been soft recently, and it is projected to reduce GDP by 0.2 percentage point in this year's first quarter. However, the biggest drag will come from inventories; it lops 1.3 percentage points off real GDP in the first quarter. The expected weakness during the first part of this year raises worries regarding risks to the forecast.

A major concern is the subprime mortgage meltdown. The signs of subprime market stress are evident on an almost daily basis. Over the past few months, over two dozen lenders have filed for bankruptcy, sought buyers, or ceased operations. Meanwhile, both delinquency rates and foreclosures have risen sharply. For example, delinquency rates in the subprime market rose to 13.3% in the fourth quarter of last year. In comparison, the prime-loan delinquency rate is only 2.6%. Foreclosure rates in the same quarter were 0.54% for subprime loans and 0.24% for prime loans. Subprime loans account for 13-14% of all outstanding mortgages. The subprime adjustable-rate mortgages (ARM) are the biggest worry. About two-thirds of these ARMs will "reset" in the next two years, raising monthly mortgage payments, which points to more foreclosures down the road. It also points to lower housing demand, which dampens starts. The ripples from the impact of the weak housing sector could spill over into other sectors. For example, the softer housing demand and falling consumer confidence could force households to curtail spending on durable goods.

Another worry is inflation. Although energy prices are expected to stabilize, the tight labor market is expected to continue exerting upward pressures on wages. Wages are a major contributor to the core inflation rate. Improving labor productivity outlook will help, but not offset the negative impacts of rising wages. Despite the steady productivity growth, wage costs should accelerate from 3.1% this year to 3.5% in 2010. The core inflation rate averages about 2.2% per year. This will make the Federal Reserve's job interesting. Its problem will be more akin to the one faced by Paul Volcker than any seen by Alan Greenspan. The former Federal Chairman's tenure started with stagflation, a situation of runaway inflation and slow growth. Stagflation's back was only broken after the nation suffered a recession.

The U.S. economy is not expected to experience a recession over the next few years. This forecast assumes the Federal Reserve will not make any serious policy mistakes. After downshifting in the first quarter, real GDP growth should gradually move into higher gear. Specifically, it accelerates from 2.1% growth this year to 2.8% next year to 3.3% in 2009, and 3.1% in 2010. Likewise, U.S. housing starts also recover slowly, going from 1.413 million units in 2007 to 1.717 million units in 2010.

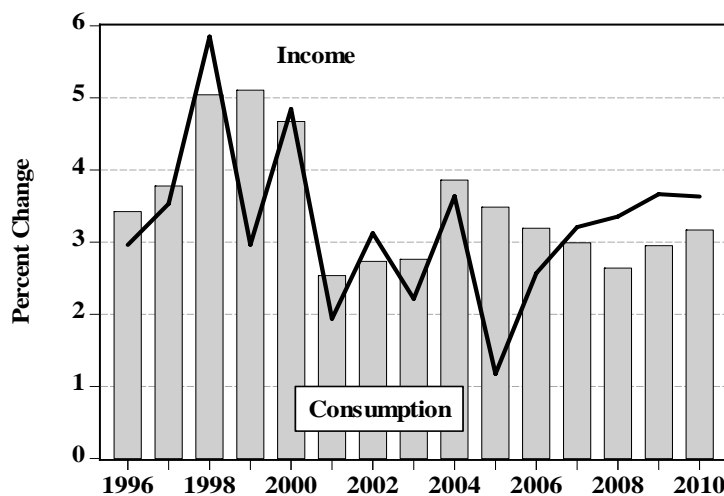
## SELECTED NATIONAL ECONOMIC INDICATORS

**Consumer Spending:** Steady consumer spending should keep the economy advancing, even while the housing market retreats. Real spending is forecast to grow at a solid 3.3% annual pace in the first quarter of 2007 before slowing slightly this spring. The spending pace is expected to pick up speed in the second half of this year and maintain about a 3.0% stride during the remaining years of the forecast horizon. With energy prices stabilizing, wage gains have been outpacing inflation. As a result, real disposable income growth is expected to accelerate from 2.6% in 2006 to 3.2% in 2007. After this year, real disposable income is anticipated to advance about 3.6% annually. The improving income situation should enable households to increase both their spending and savings. Last year, the U.S. personal savings rate

sank to -1.1%, which was its lowest level since the Great Depression. Given the projected decline in home prices, consumers are likely to reel in their spending, causing the personal savings rate to return to positive territory in 2008. Consumer spending will also be dampened by the anticipated slump in home sales that will curb expenditures on furniture, appliances, and decorating. Housing markets should stabilize in 2008 and then gradually recover, causing spending on home goods to pick up in the last two years of the forecast. In fact, higher gains in stocks, bonds, mutual funds, and retirement fund assets, helped raise household net worth 7.4% in 2006. Unfortunately, net worth, weighed down by the declining housing asset values, will rise just 0.4% this year. However, gains will accelerate after 2007.

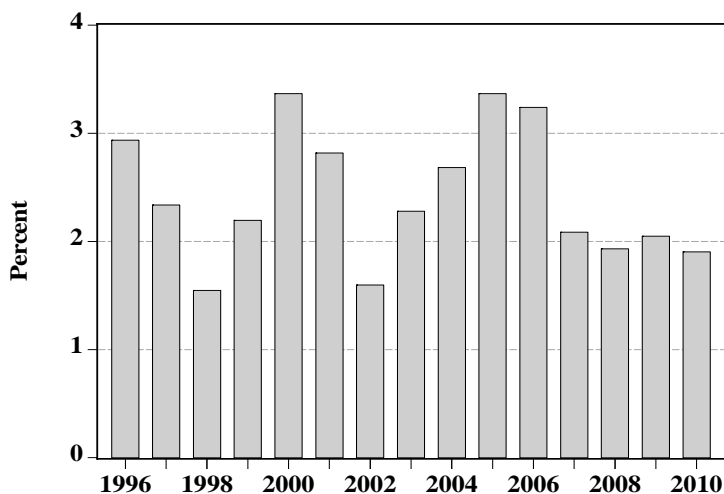
**Inflation:** While recent price increases have not been large enough to set off alarms, the heat from glowing inflation embers has not gone unfelt either. One inflation measure, the personal consumption expenditure index, has recently risen above the Federal Reserve's 2-percent "comfort zone" threshold a

### U.S. Real Consumption and Disposable Income Growth



Source: Global Insight

### Consumer Price Inflation



Source: Global Insight

few times, no doubt causing the monetary authority to oil up its inflation-fighting machinery in case prices continue increasing for an extended period. The central bank's job is being made difficult by data which often present mixed signals caused by the volatility of energy prices. The last quarter of 2006 serves as a good example. In last year's terminal quarter the annualized core (all items less food and energy) inflation rate was 1.9%, which was near the Federal Reserve's upper limit. However, overall consumer prices actually declined at a 2.1% annual pace during the quarter. This decline was caused by the 53.0% annualized decline in the energy commodity component of the consumer price index. Of course, the

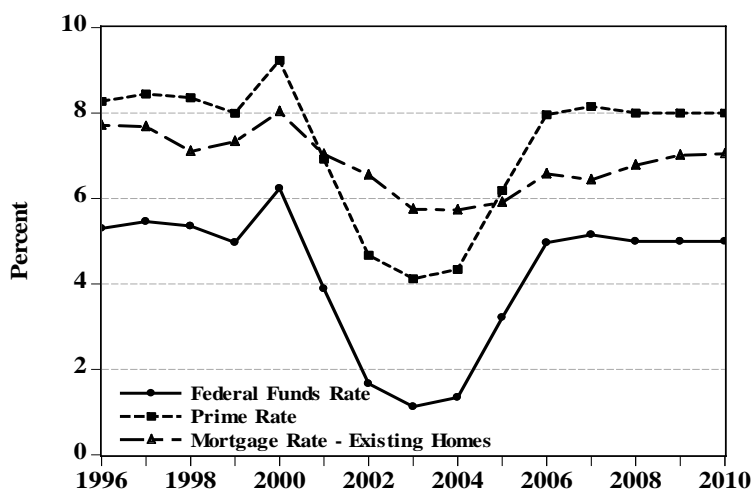
energy price pendulum swings both ways. For example, energy prices soared at a 72.0% annual rate just two quarters earlier before plunging in the last quarter of 2006. It appears energy price oscillations should dampen over time, but at relatively high levels. After averaging just under \$61 per barrel this year, the West Texas Intermediate crude spot price is forecast to rise to between \$61 and \$62 per barrel in 2008 and hover near that price through the remainder of the forecast. However, leveling energy prices will not extinguish inflation because the tight labor market is expected to continue exerting upward pressures on wages, and wages are a major contributor to the core inflation rate. An improving labor productivity outlook will take some, but not all, of the edge off these wages pressures. Nonfarm business output per hour is forecast to advance 1.4% this year and about 2.0% annually thereafter. Despite this steady productivity growth, wage costs accelerate from 3.1% this year to 3.5% in 2010. The core inflation rate averages about 2.2% per year. Forecasted overall consumer inflation is 2.1% in 2007, 1.9% in 2008, 2.0% in 2009, and 1.9% in 2010.

**Financial Markets:** Recent setbacks in financial markets should not derail future U.S. economic growth. U.S. and other global markets experienced sharp increases in volatility this winter. Several seemingly unrelated factors within several days precipitated a dive in global equity prices. The three main factors were: Chinese government efforts to regulate securities markets and tighten liquidity; concerns the U.S. economy may be weaker than reported; and some ill-timed remarks by Alan Greenspan regarding recession risks in the U.S. The Chinese stock market plunged 9% due to the latter two factors. This drop occurred against a backdrop of concerns of historically high Chinese equity valuations and wild market swings. However, these events should have little material impact on the growth in the economy. The U.S. equity markets and economy have shrugged off a number of fairly major shocks, but signs of stress became apparent in February 2007 with a pullback in business investment, a persistent inventory overhang, and tightening mortgage lending standards. Services will not be totally immune from the weak housing and automotive sectors, but services should be resilient enough to help keep the economy afloat. Former Federal Reserve Chairman Alan Greenspan's comments referred to the fact that the U.S. business cycle expansion is under duress. Specifically, risk of a recession later in 2007 was therefore higher than they were in the previous two years. Greenspan later clarified his recession comments by saying the probability of U.S. recession risk was one-third. Greenspan-fueled worries of an imminent U.S. recession are clearly overblown. The Federal Reserve's tightening policy which started in June 2004 has successfully slowed growth and reined in inflation. It has also provided the central bank with increased latitude with which to set future policy, not that this seems necessary. Barring a sharp increase in recession risks, the Federal Reserve is expected to remain on hold for several more months. It is anticipated the central bank will lower its federal funds rate by 25 basis points to 5.0% on August 7, 2007. This move should keep the real funds rate (nominal federal funds rate less the inflation rate) from moving much above 3.25%. The yield curve is expected to invert during the first half of next year, but it does not portend a recession.

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**Business Investment:** Real business investment helped prop up the U.S. economy last year. In 2006, this component of GDP expanded about 7.2%, or more than twice as fast as total national output. Investment benefited from the healthy spending for nonresidential structures. However, after

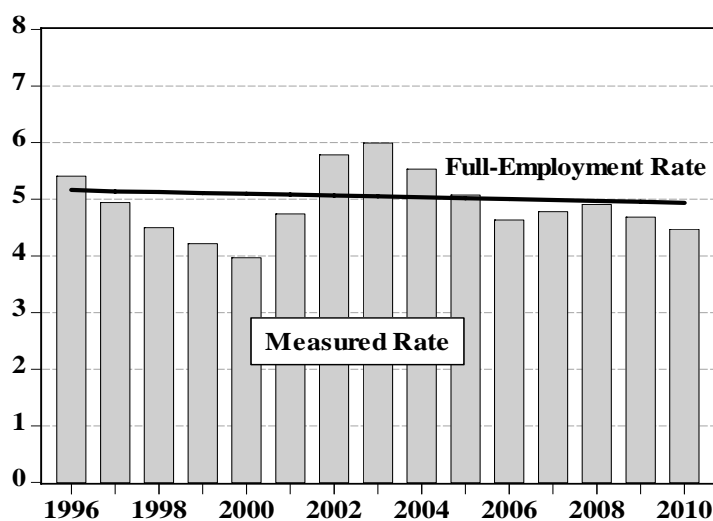
**Selected U.S. Interest Rates**



Source: Global Insight

experiencing healthy growth last year, real private investment is expected to grow more slowly over the forecast period. One of the reasons for this slowing is the reduced prospect for nonresidential spending. It is still expected to post strong numbers in this year's first half, but it will fall victim in the second half of this year to the side-effects of the housing slump. Spending on commercial property in particular will be a drag on broader building growth. Unfortunately, other components of investment are not anticipated to grow fast enough to offset the slack of slowing property investment. Real spending on software and equipment retreated at a 4.8% annual rate during the fourth quarter of 2006 and is forecast to shrink another 2.3% in the first quarter of 2007. The situation does improve over time, however. The release of Microsoft Vista provides a small first-quarter boost to spending on computers and software. Weighed down by weak growth during these two quarters, real spending on equipment and software is projected to increase just 1.3% in 2007. Real spending expands faster after this year, however, thanks to continuing improvement in technology. The current forecast shows real nonresidential investment slowing this year, but improving thereafter. Total real business investment grows 3.0% in 2007, 4.2% in 2008, 5.2% in 2009, and 4.4% in 2010.

### U.S. Civilian Unemployment Rate



Source: Global Insight

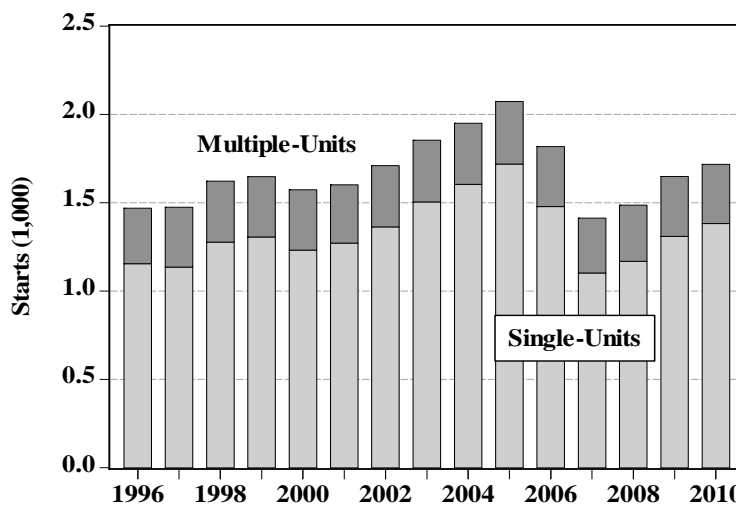
weather induced, so interpreting this data is challenging. To get a better idea of the construction component's health, one should review it over a longer time period. Historical statistics show construction employment has shown no net growth since peaking last September. Since then, nonresidential construction has been expanding, but not enough to offset residential construction job losses. Manufacturing employment continued its long slide, shedding another 16,000 jobs in March, so that there were 109,000 fewer jobs than in March 2006. Despite these setbacks, the U.S. unemployment rate has remained below 5.0% since the beginning of 2006. Looking forward, U.S. nonfarm employment is expected to increase 1.2% this year, 1.0% next year, and 1.4% in both 2009 and 2010. The civilian unemployment rate should remain at levels consistent with full employment over the forecast period.

**Housing:** Housing remains the biggest drag on economic growth. However, getting a precise read on this situation is challenging because recent data have fluctuated wildly, making it hard to separate underlying trends from weather-related noise. November 2006 was the 14<sup>th</sup> warmest winter on record (1895-2006) and December 2006 was the 4<sup>th</sup> warmest December, while January 2007 was near normal. As a result, houses that would have been started in the first quarter of 2007 were started in the fourth quarter of 2006. This explains why the number of housing starts jumped in November and December of last year, and then plunged in January of this year. Despite its February rally, housing starts remained below December's showing. This does not mean the housing sector is prospering. For example,

**Employment:** The U.S. labor market is healthy. The United States Department of Labor reported in the March 2007 *Employment Situation Report* that seasonally-adjusted payroll employment rose by 180,000 to 137.6 million jobs. This increase follows gains of 162,000 jobs in January and 113,000 jobs in February. On a year-over-year basis, total nonfarm employment was about 2 million higher in March 2007 than in March 2006. The strong March report caught many economists by surprise because they believed weaknesses in the housing market would dampen construction employment. However, construction improved by 56,000 jobs in March, mostly offsetting its decline of 61,000 jobs in February. Part of this swing was

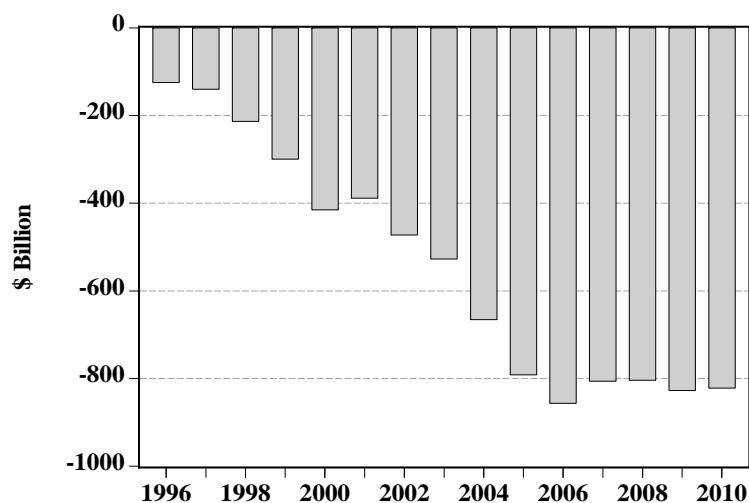
December's strong starts number was down about 18.0% compared to December 2005. In fact, it is estimated the housing downturn shaved 1.2 percentage points off GDP in the fourth quarter of 2006 and is forecast to reduce it an average of one percentage point over the first half of this year. No analysis of the housing sector is complete without discussing the impacts of the subprime mortgage meltdown. The signs of subprime market stress are evident on an almost daily basis. Recently, New Century Financial Corporation, the second-largest subprime lender, filed for bankruptcy. Over the past few months, over two dozen lenders have suffered the same fate, sought buyers, or ceased operations. Meanwhile, both delinquency rates and foreclosures have risen sharply. For example, delinquency rates in the subprime market rose to 13.3% in the fourth quarter of last year. In comparison, the prime-loan delinquency rate is only 2.6%. Foreclosure rates in the same quarter were 0.54% for subprime loans and 0.24% for prime loans. Subprime loans account for 13-14% of all outstanding mortgages. The subprime adjustable-rate mortgages (ARM) are the biggest worry. About two-thirds of these ARMs will "reset" in the next two years, raising monthly mortgage payments, which points to more foreclosures down the road. Problems in the subprime market, as well as tightening lending standards, will curb the demand for housing over the next year. The number of U.S. housing starts are projected to drop 22.2% this year to 1.413 million units, the lowest level since 1995. It should also be noted national housing prices are expected to decline in both 2007 and 2008. Respectable income growth and household formations should help this sector grow in the remaining years of the forecast, so that by 2010 the number of housing starts is 1.717 million units, which is about where it was in 2002.

## U.S. Housing Starts



Source: Global Insight

## U.S. Trade Deficit



Source: Global Insight

**International:** The recently released current-account deficit number for 2006 belies the improving trade situation. The 2006 current-account deficit came in at \$857 billion, which was significantly higher than the previous year's \$792 billion deficit. However, the annual tally masks the improvement that occurred late last year because of falling oil prices. The fourth quarter 2006 shortfall was just \$783 billion, following a \$918 billion annualized deficit in the previous quarter. The huge swing from the third to fourth quarters highlights the current account's vulnerability to oil price swings. The trade deficit shrank from \$806 billion in the third quarter of 2006 to \$714 billion in the fourth quarter. The fourth quarter trade



rebound added 1.6 percentage points to overall GDP growth. The last time trade added so much to growth was when a huge quarterly improvement was bracketed by two sizable deteriorations that netted out to no change. No relapse has appeared or is expected this time, however. Instead, the progress of the fourth quarter will continue. The U.S. trade deficit (balance-of-payment basis) is expected to improve by about \$100 billion from \$765 billion in 2006 to \$689 billion in 2007. The trade deficit is anticipated to shrink more slowly after next year, reaching \$626 billion in 2010. Despite the improvement in trade, the current-account deficit is not projected to decline steadily over the next few years because net income payments abroad eclipse payments. As a result, the current-account balance deficit swings from \$857 billion in 2006 to \$806 billion in 2007, \$804 billion in 2008, \$827 billion in 2009, and \$822 billion in 2010.

## IDAHO FORECAST DESCRIPTION

### **The Forecast Period is the First Quarter of 2007 through the Fourth Quarter of 2010**

Last year proved to be another banner year for the Gem State's economy. Whether measured by jobs, population, or income growth Idaho has been on a roll recently. Indeed, after stalling in 2002, Idaho nonfarm employment growth has accelerated in every year since then, with its momentum pushing it to 4.6% in 2006—its strongest showing in a dozen years. A noteworthy facet of this strong showing is virtually all employment sectors posted gains last year. The state's manufacturing sector added jobs for the second consecutive year, bucking the national trend of declining manufacturing employment. The state's mining sector's payroll expanded for the fourth year in a row. The U.S. Census Bureau estimates Idaho's July 1, 2006 population at 1,466,465 persons, or a gain of 2.6% from 2005. The national population grew just under one percent last year. Not only did Idaho's population grow faster than its national counterpart, but so did the state's personal income. Idaho nominal personal income advanced nearly 8.0% last year, versus 6.3% for the nation. This increase marks the third straight year income has risen faster locally than nationally.

A notable exception to last year's economic growth honor roll was housing starts. After peaking at 23,173 units in 2005, this measure slid by 16.4% to 19,374 units in 2006. A look at the quarterly data show starts began declining after the first quarter of 2006. Specifically, there were 23,122 annual starts in the first quarter of last year, but just 14,714 starts in the last quarter. This steep decline raises concerns housing will fast become a drag on the Idaho economy. Construction employment would likely be the first victim of the housing decline. This is no trivial worry. Construction employment was a big part of last year's success, expanding by nearly 16%, or well over three times as fast as overall employment. At this pace, the construction sector accounted for one out of every four jobs gained last year. While the annual data show a healthy gain, the quarterly data show construction employment growth slowed steadily last year.

Idaho housing starts will not collapse over the forecast period. Several factors suggest this year will be the most difficult, but starts will recover to more sustainable levels by the latter years of the forecast. These fundamentals include strong population growth, healthy income and employment growth, and relatively low interest rates and housing costs. Although these factors will not push the number of starts up to 2006's record showing, they should remain respectable by historical standards. For example, the predicted number of housing starts hits its forecasted nadir of 16,314 units this year, which is virtually the same as in 2003. The number of housing starts should reach 19,245 units by 2010, which is almost as high as 2006. Unlike in 2006, Idaho construction employment will not deflect the impacts of this year's housing decline. It will decline this year and next. However, it will not collapse. When the dust settles, Idaho construction employment is forecast to be 49,950 in 2010. While this is below its 2006 apex, it is more than 4,800 higher than in 2005.

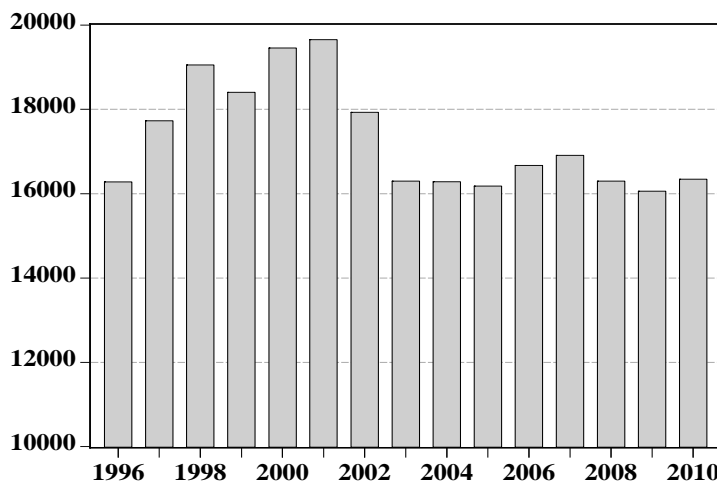
After enjoying impressive growth in 2005 and 2006, Idaho's economy is anticipated to advance more slowly over the next few years. Nonfarm employment should increase 2.1% this year, 2.0% next year, 2.3% in 2009, and 2.9% in 2010. After advancing a heady 2.6% last year, Idaho's population is forecast to increase 2.3% in 2007, 2.1% in 2008, 2.0% in 2009, and 2.2% in 2010. Idaho nominal personal income is projected to advance 6.2% in 2007, 5.9% in 2008, 6.5% in 2009, and 7.3% in 2010. While nominal personal income growth is slower than in 2006, it should continue to grow faster than national personal income over the forecast horizon.

## SELECTED IDAHO ECONOMIC INDICATORS

**Computer and Electronics:** Idaho computer and electronics manufacturing employment should hover between 16,000 and 17,000 jobs over the next few years. This current outlook for the state's computer and electronics sector will be viewed differently by optimists and pessimists. Optimists will point out this sector is entering a period of relative stability after suffering through one of the most tumultuous periods in its short history. This sector's employment slid from a high of nearly 19,700 in 2001 to about 16,200 in 2005. This decline largely resulted from the high-tech bubble implosion which impacted many of the state's major high-tech employers.

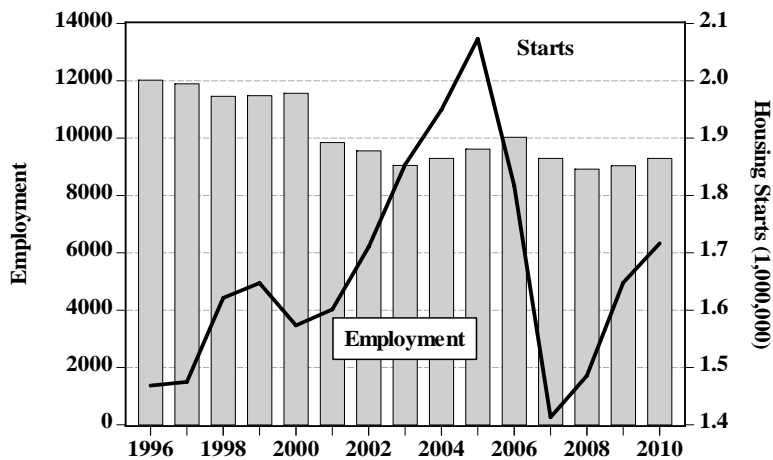
For example, Jabil Circuit halted a planned expansion and eventually closed its doors after customer orders evaporated. In 2001, MicronPC.com, SCP Global Technologies, Micron MCMS, AMI, and Hewlett-Packard also reduced their staffs. Employment plunged 8.8% in 2002. Micron Technology, the state's largest private employer, reduced its Idaho workforce by about 1,000 in early 2003, and the state's computer and electronics sector's employment base shrank another 9.1%. This sector's back-to-back job declines resulted in 3,400 fewer jobs in 2003 compared to 2001. Unfortunately, it has not experienced a quick turnaround. In fact, the recovery has been tenuous, with employment virtually unchanged in 2004 and 2005. The recovery seemed to finally make progress when employment rose to 16,670 jobs in 2006. Ironically, this is where the pessimists would point out employment was about 3,400 jobs below its 2001 peak. They would also be disappointed by the anticipated stable employment levels over the next few years because they are nostalgic for the days in the 1990s when this sector's employment averaged 7.0% annual growth. On balance, given the gut-wrenching period this sector recently experienced, even the pessimists will welcome a period of relative calm. In other high-tech related news, Hoku Materials began building its polysilicon production plant in Pocatello. Polysilicon is used by the solar market. The plant is expected to be completed in the second half of 2008 and commence shipping its products in the first half of 2009. It is estimated the plant will employ 200 employees by the late summer or early fall of 2008.

**Idaho Computer and Electronic Products  
Employment**



**Logging and Wood Products:** The anticipated decline in the number of U.S. housing starts this year does not bode well for the state's logging and wood products sector. In recent years, soaring demand for lumber and wood products provided a cyclic employment lift that halted a string of local job declines caused by ongoing structural changes in this industry. A look at national housing data show the number of starts began to take off in 2002 and peaked at 2.07 million units in 2005. Over this same period, national wood production expanded 11.1%. Under these conditions, it would be reasonable to expect Idaho logging and wood products employment to increase. It did expand, but not until 2004. In fact, this sector actually shed about 800 jobs from 2001 to 2003. Employment did grow 2.8% in 2004 to 9,295, providing a welcome change from the previous years' losses. The respite from job losses continued through 2006, as employment climbed to over 10,000 jobs for the first time since 1999. Given the forecast for falling national housing starts, it is unlikely this level of employment will be maintained. As the demand for this sector's products retreats, supply issues will once again dominate its future. The

### Idaho Wood Product Employment and U.S. Housing Starts

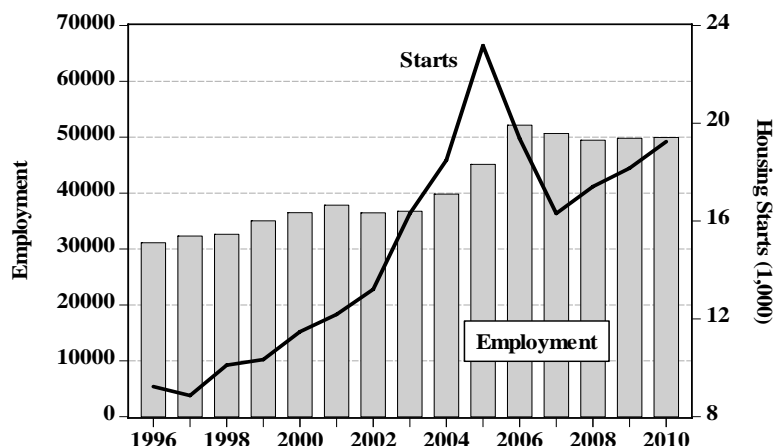


biggest challenge Idaho's lumber and wood products sector faces is the dwindling public forests timber supply. The U.S. Forest Service estimates over the ten-year period from 1994 to 2004 the harvest from Idaho national forests fell by two-thirds, from 429.7 million board feet to 143.3 million board feet. This decline represents a significant resource loss to the state. Specifically, national forests' share of Idaho's timber harvest shrank from 28.5% in 1994 to 12.3% in 2004. This decline has been particularly hard on the state's older, less efficient mills. Approximately 125 jobs were lost when Boise Cascade shuttered its

Cascade, Idaho mill in 2001. About 250 jobs were lost in 2002 when the company's Emmett, Idaho mill closed. Potlatch ceased operations at its Jaype Mill near Pierce, a move that cost about 215 jobs. Louisiana-Pacific closed its Bonners Ferry mill, putting about 140 people out of work. These closings have increased the lumber and wood products sector's overall efficiency, which suggest fewer workers will be needed in the future. Despite the industry's downsizing, excess capacity remains a challenge. Strong markets in the 1990s led to heavy capital investment in this sector. As a result, it is estimated the industry can produce 20% to 25% more lumber than is being consumed in North America. These factors suggest the logging and wood products sector's employment peaked last year and will decline over the next couple of years. Specifically, it is forecast there will be 9,296 jobs in 2007, 8,917 jobs in 2008, 9,038 jobs in 2009, and 9,294 jobs in 2010.

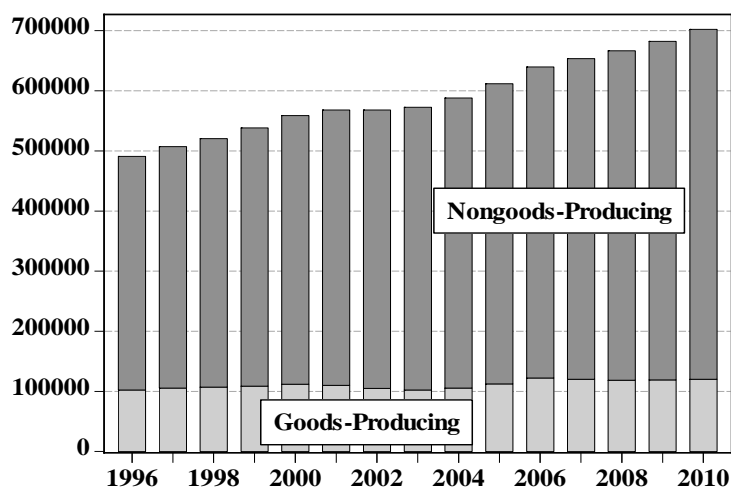
**Construction:** The Idaho construction employment projection has been scaled back compared to the previous forecast. In the January 2007 *Idaho Economic Forecast* it was anticipated the number of construction jobs would decline 1.5% in 2007 and 1.9% in 2008, as Idaho housing starts ebbed from a record-high of over 23,000 units in 2005 to 19,764 units in 2008. New data suggest the January forecast may have been too optimistic. Most notably, estimated housing starts were lower in the second half of 2006 than had been predicted. Specifically, it was previously projected there would be about 22,000 annualized housing starts in the fourth quarter of 2006. However, a new estimate, based on the most recent U.S. Census Bureau building permits data, suggest there were about 14,700 housing starts in the last quarter of 2006. As a result of its weaker-than-expected performance in last year's second half, Idaho housing starts average 19,374 in 2006, which is about 1,400 lower than had been predicted in January 2007. Interestingly, Idaho construction employment did not experience a decline last year. However,

### Idaho Construction Employment and Housing Starts



this is not to say construction employment was immune from the impact of falling housing starts. This can be seen in higher frequency employment data. Job growth slowed from a remarkable 33.2% annual rate in the first quarter of 2006 to a 1.8% annual rate in the last quarter. Given these data it appears the current housing cycle has passed its peak, which raises questions about how the construction sector will perform in the near future. The number of Idaho housing starts is expected to decline by 15.8% in 2007 to about 16,300 units, which is nearly 3,800 lower than in the previous forecast. It needs to be pointed out, that while housing starts are lower than previously projected, they do not collapse. For example, the predicted number of housing starts hits its forecasted nadir of 16,314 units this year. While this is about 3,000 less than in 2006, it is virtually identical to the number of starts in 2003. Idaho construction employment is expected to fall 2.9% this year. Again, some perspective proves useful. Employment hits its cyclical bottom of 49,464 in 2008, but this is about 4,300 higher than in 2005. Fundamentals suggest the state's housing sector will gradually recover over the forecast period. These include strong population growth, healthy income and employment growth, and relatively low interest rates and housing costs. Bolstered by these factors, the number of housing starts should rise to 19,245 units in 2010, which is within 1,000 units of the previously forecasted amount. Construction employment is forecast to rise to 49,950 jobs in 2010, compared to the 50,242 jobs predicted in January 2007.

**Idaho Nonfarm Employment**



### **Nongoods-Producing Industries:**

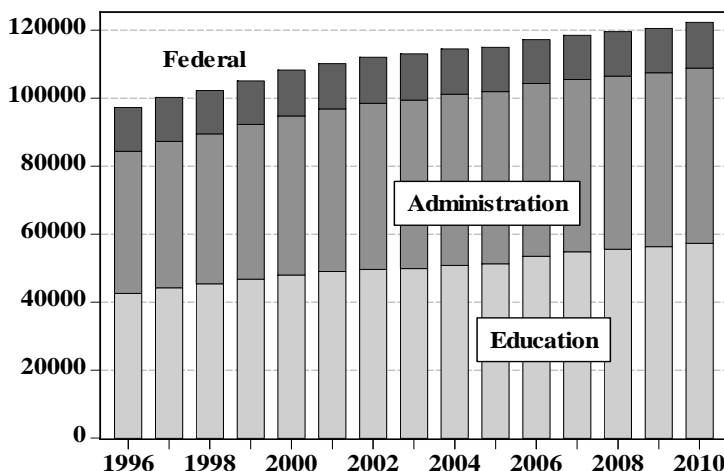
Idaho's largest private employment sector, nongoods, will also be its fastest growing sector over the forecast period. This is consistent with its most recent performance; this sector accounted for roughly two-thirds of last year's job gain. Its importance should come as no surprise given its huge size and because it includes some of the state's star performing industries. Industries in this sector can be divided into two categories: services and trade. The services category, with 292,706 employees in 2006, is the larger of the two. There were 107,570 trade jobs in Idaho last year. The services category

consists of information services; financial activities, transportation, warehousing, and utilities; professional and business services; education and health services; leisure and hospitality services; and other services. Trade is divided into retail and wholesale categories. Services employment has traditionally been the faster growing of the categories, advancing an average of 3.2% annually over the last five years versus 1.9% for trade employment. One of the services category's strongest performers is professional and business services. This category's employment should expand an average of 4.1% per year over the next four years. Other strong performers include education and health services and leisure and hospitality services. An interesting trait of the former is that it is driven more by demographics than economics, so it is relatively immune to business cycle swings. This category should add jobs at a 3.3% average annual pace over the forecast period. The leisure and hospitality category will expand at a 3.5% rate. Aggregate services employment is projected to increase 3.4% per year. The trade sector's employment should grow an average of 3.8% per year. Overall private nongoods-producing employment is forecast to expand an average of 3.5% annually through 2010.

**Government:** After cooling during the first half of this decade, Idaho's population growth seems to have gotten its second wind during its second half. The Gem state's population swelled by nearly 30%, or about 2.5% per year, during the 1990s. However, most of this growth came in the early years of the decade, with growth peaking in 1993 at 3.5%. After 1995, annual population growth slipped beneath its decade average. From 2000 to 2004, the state's population advanced just under 2% annually. However, it jumped to over 2.5% growth in both 2005 and 2006, and it is expected to grow by at least 2.0% annually thereafter. This rate of population

growth should cause government-related employment to expand slowly, but steadily, over the forecast period. State and local government employment is predicted to advance 1.1% annually over the forecast period. This sector can be broken out into two components: education and noneducation employment. Classifying the total number of jobs in this manner shows the education component will increase faster than the noneducation segment. This prediction is consistent with the fact that the median age in Idaho is lower than the national median age. Education employment should grow about 1.7%, versus the noneducation's 0.3% forecasted annual rate. Interestingly, federal government employment in Idaho is forecast to grow slightly faster (1.2%) than state and local employment. However, almost all of this increase results from hiring for the 2010 census. If the forecast period was terminated before 2010, state and local government employment advances faster than federal employment, 1.0% per year versus 0.4%. The slower federal job pace in these years reflects anticipated future federal budget austerity measures. The U.S. Air Force has accelerated its plans for Mountain Home Air force Base per the Base Realignment and Closure Act of 2005. The original plan was to replace the base's F-16J fighters with F-15Es between 2009 and 2011. However, the first F-15Es have already been transferred to the base, with the rest expected to arrive by the fall. It is estimated 400 jobs will eventually be lost due to this change. The current forecast does not include this impact because the actual number of jobs that will be lost and the timetable of these losses have not been finalized. The impact will be included as more information becomes available.

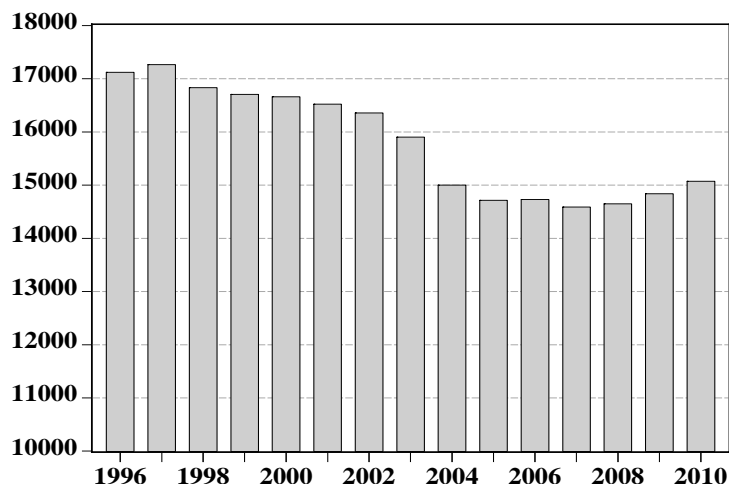
**Idaho Government Employment**



**Mining:** The cooling U.S. economy makes it unlikely the Idaho mining sector's recent string of employment gains will continue. From 2002 to 2006, the number of mining jobs increased from 1,758 to 2,371. This gain was primarily fueled by rising metal prices. For example, the spot price of silver more than doubled from \$4.60 per ounce in 2002 to \$11.62 per ounce in 2006. According to the U.S. Department of Labor, the wholesale price index for metal and metal products jumped 44.4% over the same period. However, further price increases are expected to be more subdued, with the WPI for metal and metal products rising just 6.6% from 2006 to 2010. As metal prices stabilize, Idaho mining employment is forecast to decline to 1,958 jobs by 2010. It needs to be emphasized most of the risks to this forecast are on the upside, given this sector's current level of activity. The Idaho Department of Commerce and Labor recently reported that Hecla Mining is considering a capital outlay of up to \$200 million at its Lucky Friday Mine near Mullan. This investment could boost its silver production by 80%. In addition, Hecla Mining is contemplating the potential for new mines in Idaho's Silver Valley because it believes the Silver Valley is one of the most under-explored silver mining districts in the country. The Coeur and Galena mines were purchased last summer by U.S. Silver Corp. The company plans to spend

\$1.5 million this year to restart the ore-processing mill at the Coeur Mine and explore for silver and lead ore. The mine has been closed for a decade. The Galena Mine and mill were operating at the time they were purchased and employ about 140 workers. Timberline Resources plans to begin exploration drilling at its Snowstorm Mine. Sterling Mining Co. recently revitalized the boilers and steam heating distribution system at the historic Sunshine Mine and is currently renovating its ore-processing facilities. The company expects to commence processing ore late this year or early next year.

### Idaho Food Processing Employment



**Food Processing:** Food processing is one of the state's cornerstone industries. Its importance can be measured both in terms of employment and output. According to Idaho Department of Commerce and Labor data, this sector had 14,731 jobs in 2006, making it the state's second largest manufacturing employer. The computer and electronics manufacturing sector is the largest with 16,670 jobs. The value of food manufacturing output accounted for more than half (55.7%) of the total Idaho nondurable manufacturing output from 1997 to 2004 and about 2.6% of the state's total gross domestic product.

While 2.6% of output may appear to be a small part of the economy, it masks the state's dependence on this sector. Its relative importance can be seen when it is compared to its national counterpart. Food processing accounted for just 1.6% of U.S. economic output. Clearly, Idaho's economy is more dependent on food processing than the nation. A similar argument can be made for employment. Food processing employment accounted for 2.3% of the state's nonfarm jobs in 2006, while it accounted for just 1.1% of national nonfarm employment. Given this sector's importance, the recent string of local food plant closures has been troubling. For example, nearly 360 jobs were lost when unfavorable business conditions caused the J.R. Simplot Company to close its Nampa meat packing plant in the fall of 2003. In addition, the J.R. Simplot Company shuttered its Heyburn potato processing plant that was built in 1960 and since then had run continuously. More recently, the Swift and Company beef processing plant fell victim to the embargo of Canadian beef imports into the U.S. Concerns over mad cow disease restricted imports to animals under 30 months old. The Nampa plant processed older animals and was not able to get enough animals to keep operations viable. About 400 jobs were lost when the company permanently closed the plant. Fortunately, there are signs the state's food sector is improving. Although some plants have closed, new plants are opening. Gossner Foods, Inc. opened a new cheese manufacturing plant in Heyburn on land formerly occupied by the J.R. Simplot plant. Marathon Cheese is building a \$27-million plant in Mountain Home that will employ 250 workers. The plant's employment should climb to twice that many jobs in five years, making it one of Elmore County's largest employers. Swift's Nampa meat processing plant that closed in the summer of 2005 has been reopened by XL Foods, Inc. It is anticipated that once the plant is running at full capacity it will replace the jobs lost from Swift's closure. After declining for nearly a decade, Idaho food processing employment is expected to stabilize. Specifically, the number of jobs is forecast to gradually increase from 14,731 in 2006 to 15,072 in 2010.

## FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is influenced by a myriad of local, national, and international factors. Therefore, changes to the projected values of such diverse variables as oil prices, interest rates, and national housing starts can have an effect at the state level. In order to account for the effects of such changes on the state's economy, each issue of the *Idaho Economic Forecast* uses Global Insight's most recent forecast of the U.S. economy. Additional data, such as company-specific expansions and/or contractions are also considered.

The following comparison table shows how the outlooks for several key Idaho and national economic series have changed from the January 2007 to the April 2007 *Idaho Economic Forecast*. The January 2007 *Idaho Forecast* is based on Global Insight's December 2006 baseline forecast and the April 2007 *Idaho Forecast* is driven by Global Insight's April 2007 baseline U.S. macroeconomic forecast.

A comparison of several key variables shows how the outlooks for the national and state economies have changed compared to the January 2007 *Idaho Economic Forecast*. The national variables are discussed first. This review shows the national economic outlook has been downgraded slightly compared to the previous forecast. For example, real output is down 0.1% this year, 0.5% next year, 0.6% in 2009, and 0.8% in 2010. National personal income displays a similar declining pattern. Nominal personal income goes from being 0.4% stronger in 2007 compared to the previous January forecast to 0.2% weaker in 2010. Real personal income goes from 0.3% higher in 2007 to 0.4% lower in 2010. Inflation is higher in all years in the current forecast.

Idaho nonfarm employment has been reduced slightly from the previous forecast. Specifically, it is expected to be about 0.3% lower in each year than had been previously forecast, so that by 2010 there are about 2,100 fewer jobs. Interestingly, goods-producing employment goes from being 1,600 jobs lower in 2008 to virtually the same level in 2010. The gap between the current and previous forecasts for nongoods-producing employment actually widens with time, growing to about 2,100 by 2010. The outlooks for both nominal and real Idaho personal income have also been lowered. Nominal personal income is forecast to be about 1.6% lower in each year and real personal income is anticipated to be down about 1.7% annually.



**IDAHO ECONOMIC FORECAST  
FORECASTS COMPARISON  
DIFFERENCES BETWEEN  
APRIL 2007 AND JANUARY 2007 FORECASTS**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>U.S. GDP (BILLIONS)</b>										
Current \$	0	0	0	0	0	9	68	10	-10	-26
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	0.1%	-0.1%	-0.2%
2000 Chain-Weighted	0	0	0	0	0	5	-7	-54	-75	-100
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.5%	-0.6%	-0.8%
<b>PERSONAL INCOME - CURR \$</b>										
Idaho (Millions)	0	0	129	139	123	-223	-698	-792	-862	-875
% Difference	0.0%	0.0%	0.4%	0.4%	0.3%	-0.5%	-1.5%	-1.6%	-1.6%	-1.5%
U.S. (Billions)	0	0	0	0	0	-14	43	25	-5	-20
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	0.4%	0.2%	0.0%	-0.2%
<b>PERSONAL INCOME - 2000 \$</b>										
Idaho (Millions)	0	0	122	129	110	-181	-640	-672	-773	-806
% Difference	0.0%	0.0%	0.4%	0.4%	0.3%	-0.5%	-1.6%	-1.6%	-1.8%	-1.7%
U.S. (Billions)	0	0	0	0	0	-9	27	19	-20	-40
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	0.3%	0.2%	-0.2%	-0.4%
<b>TOTAL NONFARM EMPLOYMENT</b>										
Idaho	2	4	10	14	13	1,732	-1,050	-2,173	-1,605	-2,062
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	-0.2%	-0.3%	-0.2%	-0.3%
U.S. (Thousands)	0	5	-3	0	238	835	1,230	928	827	818
% Difference	0.0%	0.0%	0.0%	0.0%	0.2%	0.6%	0.9%	0.7%	0.6%	0.6%
<b>GOODS PRODUCING SECTOR</b>										
Idaho	2	3	8	9	8	-317	-1,055	-1,646	-198	22
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	-0.9%	-1.4%	-0.2%	0.0%
U.S. (Thousands)	0	0	0	3	55	196	263	38	-36	-14
% Difference	0.0%	0.0%	0.0%	0.0%	0.2%	0.9%	1.2%	0.2%	-0.2%	-0.1%
<b>NONGOODS PRODUCING SECTOR</b>										
Idaho	0	0	3	5	4	2,049	5	-527	-1,407	-2,084
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	-0.1%	-0.2%	-0.4%
U.S. (Thousands)	0	5	-4	-3	182	639	966	890	863	832
% Difference	0.0%	0.0%	0.0%	0.0%	0.2%	0.6%	0.8%	0.8%	0.7%	0.7%
<b>FINANCIAL MARKETS</b>										
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.5%	0.3%	0.2%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.5%	0.3%	0.2%
Mort Rate, Existing Homes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.3%	0.0%	0.0%
<b>INFLATION</b>										
GDP Price Deflator	0.000	0.000	0.000	0.000	0.000	0.039	0.657	0.628	0.665	0.776
Personal Cons Deflator	0.000	0.000	0.000	0.000	0.000	-0.036	0.122	0.018	0.175	0.262
Consumer Price Index	0.000	0.000	0.000	0.000	0.000	0.000	0.008	0.006	0.011	0.014

**Forecast Begins the FIRST Quarter of 2007**

## ALTERNATIVE FORECASTS

Global Insight has assigned a 55% probability of occurrence to its April 2007 baseline forecast of the U.S. economy. The major features of this forecast include:

- Real GDP increases 2.1% in 2007, 2.8% in 2008, 3.3% in 2009, and 3.1% in 2010;
- U.S. nonfarm employment grows 1.2% in 2007, 1.0% in 2008, 1.4% in 2009, and 1.4% in 2010;
- the annual U.S. civilian unemployment rate remains below 5.0% through 2010;
- consumer inflation is 2.1% in 2007, 1.9% in 2008, 2.9% in 2009, and 1.9% in 2010;
- the current account deficit is \$806 billion in 2007, \$804 billion in 2008, \$827 billion in 2009, and \$822 billion in 2010; and
- the federal unified budget deficit is \$219 billion in 2007, \$244 billion in 2008, \$267 billion in 2009, and \$245 billion in 2010.

## OPTIMISTIC SCENARIO

Global Insight's *Optimistic Scenario* has been assigned a 20% probability of occurrence. In this scenario, a confluence of positive factors improves the short-term economic outlook. Most significantly, rapid productivity growth lifts economic growth and employment gains above their baseline levels. It also boosts the dollar's value. The productivity gains, along with a stronger dollar, help contain inflation. Business spending is slightly stronger in this scenario. It is also notable that residential investment is stronger, with housing bouncing back more forcefully in 2007 and maintaining a higher level through 2010. Housing is the beneficiary of stronger job growth, lower interest rates, higher consumer confidence, and lower long-term mortgage rates. Faster economic growth abroad translates to vibrant domestic export growth. Finally, the *Optimistic Scenario* assumes energy prices are \$7.50-8.50 per barrel lower than in the baseline.

Under these assumptions, the economic outlook is much brighter. The slowdown is much shorter, so real GDP growth is 2.6% in this scenario compared to baseline's 2.1%. Real GDP growth is also stronger in 2008, 3.6% versus 2.8%. Although economic growth and labor markets are stronger, inflation is lower thanks to improved productivity gains. Consumer price inflation remains safely within the Federal Reserve's 1%-2% tolerance band over the forecast period. In the *Baseline Scenario* inflation hovers near the upper bounds of this band. Because of the lower inflation, the Federal Reserve is able to keep the federal funds rate below its baseline counterpart.

The faster national economic growth improves the state's job performance slightly over the forecast period. Idaho nonfarm employment growth averages about 2.3% annual growth in 2008 and 2009 in this scenario, compared to the baseline's 2.1% annual growth. As a result, of this mid-forecast push, nonfarm employment is about 1,800 above the amount forecast in the *Baseline Scenario*. This improvement reflects strength in both the good- and nongoods-producing sectors. The former's employment is about 960 higher than in the baseline in 2010, while the latter is about 860 stronger. Interestingly, Idaho nominal personal income is lower in this scenario in 2010 than in the baseline, \$55.3 billion versus \$56.5 billion—a \$1.3 billion difference. Much of the difference between the two is attributable to the lower inflation in the *Optimistic Scenario*. After adjusting Idaho personal income for inflation, the gap between the two income forecasts for 2010 shrinks to \$0.1 billion.

# IDAHO ECONOMIC FORECAST

## BASELINE AND ALTERNATIVE FORECASTS

### APRIL 2007

	BASELINE				OPTIMISTIC				PESSIMISTIC			
	2007	2008	2009	2010	2007	2008	2009	2010	2007	2008	2009	2010
<b>U.S. GDP (BILLIONS)</b>												
Current \$	13,857	14,507	15,275	16,077	13,906	14,598	15,369	16,171	13,765	14,285	15,179	16,120
% Ch	4.6%	4.7%	5.3%	5.2%	5.0%	5.0%	5.3%	5.2%	3.9%	3.8%	6.3%	6.2%
2000 Chain-Weighted	11,652	11,974	12,366	12,754	11,706	12,128	12,586	13,028	11,562	11,681	12,018	12,328
% Ch	2.1%	2.8%	3.3%	3.1%	2.6%	3.6%	3.8%	3.5%	1.3%	1.0%	2.9%	2.6%
<b>PERSONAL INCOME - CURR \$</b>												
Idaho (Millions)	46,663	49,424	52,647	56,495	46,457	48,924	51,827	55,299	47,245	50,820	54,699	59,927
% Ch	6.2%	5.9%	6.5%	7.3%	5.8%	5.3%	5.9%	6.7%	7.6%	7.6%	7.6%	9.6%
U.S. (Billions)	11,475	12,065	12,769	13,529	11,491	12,105	12,805	13,547	11,481	12,020	12,769	13,671
% Ch	5.4%	5.1%	5.8%	5.9%	5.6%	5.3%	5.8%	5.8%	5.5%	4.7%	6.2%	7.1%
<b>PERSONAL INCOME - 2000 \$</b>												
Idaho (Millions)	39,959	41,544	43,361	45,638	39,933	41,565	43,357	45,547	40,198	41,847	43,559	46,182
% Ch	4.2%	4.0%	4.4%	5.3%	4.2%	4.1%	4.3%	5.1%	4.8%	4.1%	4.1%	6.0%
U.S. (Billions)	9,826	10,141	10,517	10,930	9,877	10,284	10,712	11,158	9,769	9,899	10,169	10,536
% Ch	3.4%	3.2%	3.7%	3.9%	4.0%	4.1%	4.2%	4.2%	2.8%	1.3%	2.7%	3.6%
<b>TOTAL NONFARM EMPLOYMENT</b>												
Idaho	653,525	666,749	682,237	702,261	653,498	668,308	684,453	704,079	654,373	665,714	679,308	699,608
% Ch	2.1%	2.0%	2.3%	2.9%	2.1%	2.3%	2.4%	2.9%	2.3%	1.7%	2.0%	3.0%
U.S. (Thousands)	137,844	139,287	141,298	143,298	138,071	140,103	142,502	144,687	137,409	137,461	139,012	141,140
% Ch	1.2%	1.0%	1.4%	1.4%	1.4%	1.5%	1.7%	1.5%	0.9%	0.0%	1.1%	1.5%
<b>GOODS-PRODUCING SECTOR</b>												
Idaho	120,344	118,372	119,187	120,369	120,529	119,504	120,397	121,330	119,943	115,226	116,629	117,360
% Ch	-1.6%	-1.6%	0.7%	1.0%	-1.4%	-0.9%	0.7%	0.8%	-1.9%	-3.9%	1.2%	0.6%
U.S. (Thousands)	22,310	21,970	21,976	22,176	22,325	22,181	22,367	22,659	22,302	21,412	21,078	21,132
% Ch	-1.2%	-1.5%	0.0%	0.9%	-1.1%	-0.6%	0.8%	1.3%	-1.2%	-4.0%	-1.6%	0.3%
<b>NONGOODS-PRODUCING SECTOR</b>												
Idaho	533,181	548,377	563,050	581,892	532,970	548,804	564,056	582,749	534,430	550,487	562,679	582,248
% Ch	3.0%	2.9%	2.7%	3.3%	3.0%	3.0%	2.8%	3.3%	3.3%	3.0%	2.2%	3.5%
U.S. (Thousands)	115,534	117,317	119,322	121,122	115,746	117,922	120,135	122,028	115,107	116,049	117,934	120,007
% Ch	1.7%	1.5%	1.7%	1.5%	1.9%	1.9%	1.9%	1.6%	1.3%	0.8%	1.6%	1.8%
<b>SELECTED INTEREST RATES</b>												
Federal Funds	5.2%	5.0%	5.0%	5.0%	5.1%	4.8%	4.7%	4.7%	6.0%	7.4%	6.4%	5.9%
Bank Prime	8.2%	8.0%	8.0%	8.0%	8.1%	7.8%	7.7%	7.7%	9.0%	10.4%	9.4%	8.9%
Existing Home Mortgage	6.4%	6.8%	7.0%	7.0%	6.4%	6.5%	6.7%	6.7%	6.8%	8.2%	7.9%	7.8%
<b>INFLATION</b>												
GDP Price Deflator	2.5%	1.9%	2.0%	2.0%	2.3%	1.3%	1.4%	1.7%	2.6%	2.7%	3.3%	3.5%
Personal Cons Deflator	1.9%	1.9%	2.1%	2.0%	1.6%	1.2%	1.6%	1.6%	2.6%	3.3%	3.4%	3.3%
Consumer Price Index	2.1%	1.9%	2.0%	1.9%	1.6%	1.2%	1.6%	1.5%	2.7%	3.1%	3.2%	3.2%

Forecast Begins the FIRST Quarter of 2007

## PESSIMISTIC SCENARIO

The *Pessimistic Scenario* has been assigned a 25% probability of occurrence. Higher inflation is a key lever that differentiates this scenario from the baseline case. Soaring oil prices, a sliding dollar, and tightening labor markets have already put upward pressure on prices. Another reason to believe prices will accelerate is there may be less spare production capacity in the world than is perceived. Rapid technological advances and high oil prices may have rendered obsolete much of the idled capacity that theoretically remains on the books. This alternative forecast also assumes the dollar weakens as foreign investors flee the greenback over concerns of the huge U.S. trade deficit. The falling dollar raises prices Americans pay for imports, which further fans inflation flames. The economic outlook is also dampened by increased pressure on interest rates. Two are most noteworthy. Foreign investors demand higher returns on U.S. investments to compensate for the dollar's slide. In addition, the Federal Reserve tightens more aggressively than in the baseline case to fight inflation. The anticipated higher interest rates take a greater toll on the already weak housing sector. Housing starts drop to 1.33 million units this year, versus 1.41 million units in the baseline. The median price of existing homes drops nearly 10% below the baseline price in late 2007. Capital spending also retreats. Beginning in the fourth quarter of 2006, spending on equipment and software declines for seven straight quarters.

Between the higher interest rates and persistently high energy prices, consumer confidence suffers. As a result consumers rein in their discretionary spending, causing the U.S. economy to slow. Hiring falters, which causes the nation's unemployment rate to climb. The Federal Reserve provides no immediate relief. The nation's central bank is forced to choose between fighting inflation and encouraging economic growth. It is assumed to battle inflation. This puts upward pressure on interest rates, which causes debt-burdened consumers to retrench further. The economy nearly sinks into a recession, with GDP growth at just 1.3%--well below the baseline's 2.1%. The Federal Reserve's policy eventually succeeds and inflation stabilizes. However, the ground lost relative to the baseline scenario is not made up over the forecast period.

Given the weaker national economic outlook in this scenario, it is no surprise Idaho's economy loses ground to its baseline counterpart. Idaho nonfarm employment, which tops 702,000 jobs in 2010 in the *Baseline Scenario*, manages to generate just under 700,000 jobs in this scenario. All of this difference comes from the goods-producing sector. The nongoods-producing sector actually ends the decade with slightly more jobs (356) than in the baseline. Interestingly, both Idaho nominal and real personal income are both slightly higher in 2010 compared to their baseline counterparts. However, as in the *Optimistic Scenario*, the gap between the inflation-adjusted income is smaller than the one between nominal measures.

## Will Fast Productivity Growth Persist?

John Fernald

David Thippavong

Bharat Trehan<sup>1</sup>

Strong productivity growth is essential for improving living standards and can have an important impact on economic policy, yet economists are far from being experts at predicting when the trend of productivity growth might shift. In the 1960s, productivity growth boomed, growing at an average annual rate of 2½%. It weakened in the early 1970s, and for the next two decades or so averaged an annual growth rate of only about 1¼%. Then, in the mid-1990s, productivity growth boomed again, averaging about a 3% annual rate from the last quarter of 1995 through the middle of 2004. These shifts were not predicted and were generally not widely recognized until years after they occurred. Considering that, since the middle of 2004, productivity growth has averaged only about 1½% per year, it may be time to ask whether this is just a "pause" in the boom that started in the mid-1990s or a shift back to the growth rates seen in the 1970s and 1980s. This *Economic Letter* begins to answer this question by focusing on the factors that underlay the most recent productivity boom and what they may portend for the future.

### Information and communications technology and the productivity surge

Technological innovation is often associated with productivity booms. The most obvious such innovations in recent decades have been in the production of information and communications technology (ICT), such as computers, software, communications equipment, and the like. But the channels for ICT to affect the overall economy are complex.

Economists identify three proximate or direct sources of higher labor productivity. First, workers have more and better capital to work with, also known as "capital deepening." Second, the workforce gains more education and skill. Third is total factor productivity, or TFP, a comprehensive term for everything not otherwise explained; the main reason TFP rises over time is innovation in products and processes.

Oliner and Sichel (2006) decompose labor productivity growth using annual aggregate data through 2005. They find that in the 1995-2000 period, both faster TFP growth and an increased contribution of capital-deepening raised labor productivity growth relative to the 1973-1995 period. Thereafter, however, investment was relatively weak, and the pace of capital deepening—especially of ICT capital—fell substantially. Yet labor productivity growth remained strong in the early 2000s because TFP growth accelerated even further.

Economists generally agree that a TFP acceleration in ICT production was a significant contributor to the acceleration in overall TFP during the 1990s, and the causes of the former are reasonably well understood. New product development, resulting especially from research and development, led to rapid improvements in computer technology; for example, competition between Intel and AMD led to a faster introduction of new semiconductor chips in the post-1995 period. This faster pace of technological rollout appears to explain a large share of the ICT productivity acceleration.

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<sup>1</sup> This article originally appeared in the Number 2007-09; April 6, 2007 *FRBSF Economic Letter*. Opinions expressed in this article are those of the authors and do not necessarily reflect the views of the management of the Federal Reserve Bank of San Francisco or the Board of Governors of the Federal Reserve System.

Many earlier studies argued that the acceleration in overall TFP was largely, if not entirely, due to innovations in sectors producing ICT goods. These innovations, in turn, raised labor productivity in the sectors that used ICT because of capital deepening; in particular, falling ICT prices reduced the effective cost to a user of purchasing high-tech capital, leading firms to increase their desired capital stock. From this perspective, there is no reason to expect an increased pace of innovation outside of ICT production.

Basu, Fernald, and Shapiro (2001), however, argue that the overall TFP acceleration was broad-based—not narrowly located in ICT production—and more recent studies (including Bosworth and Triplett 2003) have emphasized the TFP acceleration in the services sector. Over time, major official data revisions have affected the apparent size and timing of the acceleration in different sectors but haven't changed the general picture. Oliner and Sichel (2006) find that, in the 2000-2005 period, TFP in ICT production slowed and estimate that the acceleration in overall TFP is completely explained by non-ICT-producing sectors. A number of other studies have found similar results.

To explain how ICT can affect measured production and productivity in other sectors, a number of papers highlight the notion of ICT as a "general purpose technology" (GPT), much like electricity or steam power, in that it has pervasive and wide-ranging effects on how firms do business or even how people live. They also note that adopting new GPTs is neither easy nor instantaneous. First, firm-level studies suggest that benefiting from ICT investments requires substantial, costly investments in intangible capital, such as reorganization; for example, faster information processing might lead firms to think of new ways of communicating with suppliers or arranging distribution systems. These investments may include resources diverted to learning or purposeful innovation arising from research and development (R&D).

Second, the GPT literature suggests the likelihood of sizeable spillovers from ICT. For example, successful new managerial ideas—such as using ICT to build a new business information system—seem likely to diffuse to other firms. Imitation is often easier and less costly than invention, because you learn by watching and analyzing others' experimentation, successes and, importantly, mistakes. Indeed, firms that don't use computers intensively may also benefit from spillovers of intangible capital created by firms that use computers more intensively. For example, if R&D has sizeable spillovers, and if R&D is more productive with better computers, then even firms that don't use computers intensively may benefit from the knowledge created by computers.

Brynjolfsson et al. (1997) study the experience of a large medical products company following its decision to deploy computer-based flexible machinery. Management recognized that the project would involve not only the purchase of new machines but also a substantial amount of learning and a reorganization of the production process. While ultimately successful (so much so that the company painted factory windows black to prevent competitors from imitating its organizational and technical innovations), various hurdles led to an extended and costly period of experimentation and false starts; for example, production workers continued to use the new machinery as they had used the old, resulting in large inventories of work in process and finished goods. Ultimately, the firm physically isolated one section of its plant to experiment with different methods of reorganizing the production line.

Another study of about 500 large U.S. firms found that it took at least five to seven years for the full benefits of computers to be realized. At the industry level, Basu and Fernald (2007) find that the data are reasonably consistent with the predictions that in sectors that use ICT, ICT capital growth should, with long lags, be positively associated with TFP growth. In particular, they find evidence that ICT capital investments in the late 1980s and 1990s are positively correlated with the TFP acceleration in the 2000s. They conclude that these results are reasonably consistent with the firm-level evidence.

### Is the era of rapid productivity growth over?

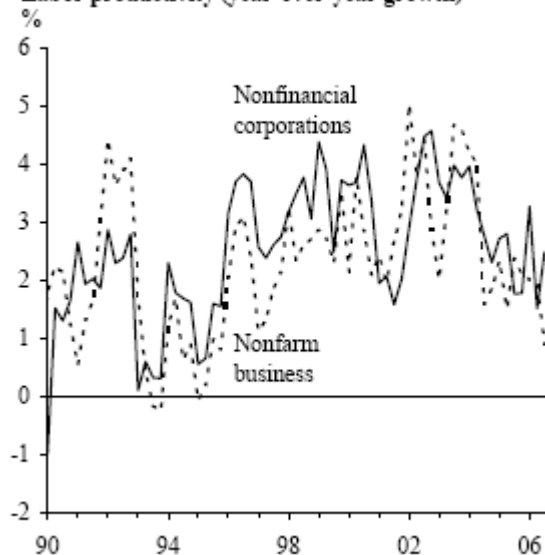
To begin to answer this question, it is useful to look first at whether the pace of innovation in the ICT sector has slowed. Though this is not easy to measure, some have argued that the relative price of ICT sector output provides a (rough and ready) indicator of technical progress in this sector (see Doms (2005), for instance). Other things remaining the same, the faster the rate of technical progress in the ICT sector, the faster the rate at which the price of ICT goods falls against other prices in the economy. It turns out that the price of information processing equipment and software (relative to the GDP deflator) fell at close to a 6½% rate over the 1973:Q1-1995:Q3 period; the rate of decline accelerated to 8¾% over the 1995:Q4-2000:Q4 period but has fallen back to 6% since. Based on this evidence, as well as the studies mentioned earlier, one could argue that the pace of technical progress in the ICT sector has slowed, but there is no way to tell whether this slowdown is temporary or permanent.

If the productivity slowdown in ICT production is permanent, should we then expect productivity growth in the ICT-using sectors to fall back to the rates seen before the boom? The GPT literature suggests that the answer is no. DeLong (2002) points out that, even though the period of double-digit annual productivity increases in steam-power and textile-spinning machinery ended in the early 1820s, these technologies made their major contribution to economic growth in Great Britain in the subsequent 50 years. Similarly, David (1991) emphasizes that the benefits of the electric motor took nearly half a century to spread, as firms learned how to make more efficient use of the technology.

Is ICT likely to have the same impact that earlier GPTs did? At least one metric suggests that it could. It has been pointed out that ICT prices have fallen far more dramatically than prices of GPTs like electricity and the internal combustion engine, and the resulting decline in the price of capital goods is unprecedented. This suggests that we might expect productivity growth to remain elevated for a while yet.

Furthermore, recent data for nonfinancial corporations suggest that productivity growth might not have slowed quite as much as the nonfarm business sector data indicate. It has been argued that data for nonfinancial corporations (whose output amounts to about 70% of nonfinancial business sector output) is better measured than for the noncorporate and financial sectors of the economy. As Figure 1 shows, productivity growth in nonfinancial corporations has tended to track that in the overall nonfarm sector reasonably well, but the former has not slowed as much over the past year. (At press time, we have data for nonfinancial corporations through 2006:Q3 and for nonfarm business through 2006:Q4.) The reasons for the divergence are not clear. The underlying source data are different, since nonfinancial corporate output is measured from data on income, whereas nonfarm output is measured from data on expenditure. While the national accounts are designed so that, in principle, income and expenditure necessarily grow at the same rate, the two measures rely on different surveys, so there can be a "statistical discrepancy" between them.

Figure 1  
Labor productivity (year-over-year growth)



## Conclusion

At the peak of the "New Economy" hype of the late 1990s, many claimed, "The Internet changes everything," and, by implication, that it happened overnight. But the history lessons from GPTs, like electricity and steam power, as well as recent theoretical and empirical work, suggest that the necessary complementary investments and innovations that drive change unfold only slowly over time. Thus, it could be that the promise of recent technological advances will continue to be realized. To the extent that ICT is, indeed, a GPT on a par with the electric dynamo, the returns to innovation (whether managerial innovations or the development of new products and processes) might remain high for some time to come. The strength of productivity growth in nonfinancial corporations provides another reason for hope that underlying productivity trends remain strong.

None of this is meant to argue that trend productivity growth will revert to the 3% rate seen around the turn of this century; we are arguing instead that—in the near term—trend productivity growth is unlikely to revert to the rates seen during the 1970s or 1980s. But these are not statements that can be made with a high degree of certainty. As we confessed at the outset, economists, including us, do not have a winning record in predicting the path of productivity growth.

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# **IDAHO ECONOMIC FORECAST**

**APRIL 2007**

## **FORECAST DETAIL**

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### **Reporting Conventions**

Units of measurement are presented in the individual reports.

The percentage change numbers given in the annual reports are simple period-to-period percent changes. Since the periods are years, they are thus simple annual changes. The percentage changes given in the quarterly report are period-to-period changes at compound annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over an entire year.

### **Data Sources**

National forecast data is provided by Global Insight, as well as the Food and Agricultural Policy Research Institute (FAPRI). Historical data for the models are obtained from the following agencies: Bureau of the Census (demographic), Bureau of Economic Analysis (income), Bureau of Labor Statistics (employment), Federal Reserve Board of Governors (production), and U.S. Department of Agriculture (farm).

Idaho historical data is obtained from the Department of Commerce and Labor (employment and hourly earnings), Bureau of Vital Statistics (births and deaths), Division of Financial Management (migration), and the Bureau of Economic Analysis (income).

The Idaho average annual wage is calculated by the Division of Financial Management from Bureau of Economic Analysis and Idaho Department of Commerce and Labor data. Because of the different methodology used and data available, this figure may not match those published by other sources.

**IDAHO ECONOMIC FORECAST**  
**ANNUAL DETAIL**  
**APRIL 2007**

**DEMOGRAPHICS**

	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>POPULATION</b>									
Idaho (Thousands)	1,108.6	1,144.9	1,177.0	1,203.2	1,228.4	1,252.3	1,275.7	1,299.1	1,320.7
% Ch	3.4%	3.3%	2.8%	2.2%	2.1%	1.9%	1.9%	1.8%	1.7%
National (Millions)	260.688	263.853	266.980	270.115	273.368	276.553	279.731	282.804	285.736
% Ch	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%	1.1%	1.0%
<b>BIRTHS</b>									
Idaho (Thousands)	17.575	17.690	17.915	18.482	18.599	19.188	19.897	20.304	20.684
% Ch	2.2%	0.7%	1.3%	3.2%	0.6%	3.2%	3.7%	2.0%	1.9%
National (Thousands)	3,997	3,964	3,935	3,911	3,892	3,880	3,874	3,872	3,876
% Ch	-1.0%	-0.8%	-0.7%	-0.6%	-0.5%	-0.3%	-0.2%	-0.1%	0.1%
<b>DEATHS</b>									
Idaho (Thousands)	8.277	8.478	8.553	8.679	8.953	9.105	9.488	9.538	9.811
% Ch	4.9%	2.4%	0.9%	1.5%	3.2%	1.7%	4.2%	0.5%	2.9%
National (Thousands)	2,237	2,264	2,291	2,318	2,345	2,372	2,399	2,424	2,446
% Ch	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%	1.0%	0.9%
<b>NET MIGRATION</b>									
Idaho (Thousands)	27.168	27.115	22.652	16.417	15.583	13.836	12.975	12.658	10.645
<b>HOUSING</b>									
<b>HOUSING STARTS</b>									
Idaho	11,549	12,782	9,425	9,237	8,861	10,105	10,335	11,469	12,184
% Ch	20.2%	10.7%	-26.3%	-2.0%	-4.1%	14.0%	2.3%	11.0%	6.2%
National (Millions)	1.292	1.446	1.361	1.469	1.475	1.621	1.647	1.573	1.601
% Ch	7.5%	12.0%	-5.9%	7.9%	0.4%	9.9%	1.6%	-4.5%	1.8%
<b>SINGLE UNITS</b>									
Idaho	8,949	9,424	7,296	7,843	7,651	9,040	9,191	10,337	10,375
% Ch	13.1%	5.3%	-22.6%	7.5%	-2.4%	18.1%	1.7%	12.5%	0.4%
National (Millions)	1.131	1.191	1.082	1.154	1.136	1.278	1.306	1.232	1.272
% Ch	9.6%	5.4%	-9.2%	6.7%	-1.6%	12.4%	2.2%	-5.7%	3.2%
<b>MULTIPLE UNITS</b>									
Idaho	2,600	3,358	2,129	1,393	1,209	1,066	1,144	1,133	1,809
% Ch	52.8%	29.2%	-36.6%	-34.6%	-13.2%	-11.9%	7.3%	-1.0%	59.7%
National (Millions)	0.161	0.255	0.279	0.314	0.338	0.344	0.341	0.341	0.330
% Ch	-5.1%	58.3%	9.4%	12.7%	7.6%	1.6%	-0.7%	0.1%	-3.5%
<b>HOUSING STOCK</b>									
Idaho (Thousands)	357.0	368.8	377.9	386.3	393.8	402.4	411.4	421.2	432.1
% Ch	2.8%	3.3%	2.4%	2.2%	1.9%	2.2%	2.2%	2.4%	2.6%

National Variables Forecast by Global Insight  
Forecast Begins the FIRST Quarter of 2007

**IDAHO ECONOMIC FORECAST  
ANNUAL DETAIL  
APRIL 2007**

**DEMOGRAPHICS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>POPULATION</b>									
Idaho (Thousands)	1,342.0	1,365.5	1,391.0	1,428.0	1,465.7	1,499.5	1,530.9	1,562.2	1,595.9
% Ch	1.6%	1.8%	1.9%	2.7%	2.6%	2.3%	2.1%	2.0%	2.2%
National (Millions)	288.608	291.466	294.283	296.972	299.661	302.329	304.970	307.634	310.298
% Ch	1.0%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
<b>BIRTHS</b>									
Idaho (Thousands)	21.002	21.735	22.526	23.069	24.141	24.982	25.733	26.477	27.316
% Ch	1.5%	3.5%	3.6%	2.4%	4.6%	3.5%	3.0%	2.9%	3.2%
National (Thousands)	3,885	3,901	3,925	3,955	3,991	4,033	4,077	4,123	4,168
% Ch	0.2%	0.4%	0.6%	0.8%	0.9%	1.0%	1.1%	1.1%	1.1%
<b>DEATHS</b>									
Idaho (Thousands)	9.935	10.308	10.020	10.413	10.879	11.110	11.328	11.545	11.776
% Ch	1.3%	3.8%	-2.8%	3.9%	4.5%	2.1%	2.0%	1.9%	2.0%
National (Thousands)	2,467	2,487	2,507	2,528	2,548	2,569	2,590	2,611	2,633
% Ch	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
<b>NET MIGRATION</b>									
Idaho (Thousands)	10.247	12.077	13.013	24.319	24.511	19.894	17.007	16.342	18.157
<b>HOUSING</b>									
<b>HOUSING STARTS</b>									
Idaho	13,206	16,312	18,489	23,173	19,374	16,314	17,411	18,161	19,245
% Ch	8.4%	23.5%	13.3%	25.3%	-16.4%	-15.8%	6.7%	4.3%	6.0%
National (Millions)	1.710	1.854	1.950	2.073	1.817	1.413	1.486	1.648	1.717
% Ch	6.8%	8.4%	5.2%	6.3%	-12.4%	-22.2%	5.1%	10.9%	4.2%
<b>SINGLE UNITS</b>									
Idaho	11,129	13,824	16,082	20,812	17,450	14,349	15,592	16,344	17,293
% Ch	7.3%	24.2%	16.3%	29.4%	-16.2%	-17.8%	8.7%	4.8%	5.8%
National (Millions)	1.363	1.505	1.604	1.719	1.478	1.103	1.168	1.310	1.382
% Ch	7.2%	10.4%	6.6%	7.2%	-14.0%	-25.4%	5.9%	12.2%	5.5%
<b>MULTIPLE UNITS</b>									
Idaho	2,077	2,488	2,408	2,360	1,924	1,965	1,820	1,817	1,953
% Ch	14.8%	19.8%	-3.2%	-2.0%	-18.5%	2.1%	-7.4%	-0.2%	7.5%
National (Millions)	0.347	0.349	0.345	0.354	0.339	0.310	0.318	0.338	0.335
% Ch	5.3%	0.5%	-1.0%	2.6%	-4.3%	-8.5%	2.4%	6.2%	-0.8%
<b>HOUSING STOCK</b>									
Idaho (Thousands)	442.9	457.0	473.0	493.4	513.6	528.6	544.0	560.2	577.3
% Ch	2.5%	3.2%	3.5%	4.3%	4.1%	2.9%	2.9%	3.0%	3.1%

National Variables Forecast by Global Insight  
Forecast Begins the FIRST Quarter of 2007

**IDAHO ECONOMIC FORECAST**  
**ANNUAL DETAIL**  
**APRIL 2007**

**OUTPUT, INCOME, & WAGES**

	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>U.S. GROSS DOM. PRODUCT (Billions)</b>									
Current Dollars	6,657	7,072	7,398	7,817	8,304	8,747	9,268	9,817	10,128
% Ch	5.0%	6.2%	4.6%	5.7%	6.2%	5.3%	6.0%	5.9%	3.2%
2000 Chain-Weighted	7,533	7,835	8,032	8,329	8,704	9,067	9,470	9,817	9,891
% Ch	2.7%	4.0%	2.5%	3.7%	4.5%	4.2%	4.4%	3.7%	0.8%
<b>PERSONAL INCOME - CURR \$</b>									
Idaho (Millions)	20,072	21,422	22,871	24,360	25,367	27,287	29,068	31,290	33,054
% Ch	9.6%	6.7%	6.8%	6.5%	4.1%	7.6%	6.5%	7.6%	5.6%
Idaho Nonfarm (Millions)	19,009	20,685	22,057	23,433	24,611	26,350	28,054	30,448	32,039
% Ch	8.8%	8.8%	6.6%	6.2%	5.0%	7.1%	6.5%	8.5%	5.2%
National (Billions)	5,559	5,843	6,152	6,521	6,915	7,423	7,802	8,430	8,724
% Ch	3.7%	5.1%	5.3%	6.0%	6.1%	7.3%	5.1%	8.0%	3.5%
<b>PERSONAL INCOME - 2000 \$</b>									
Idaho (Millions)	22,858	23,892	24,973	26,040	26,666	28,429	29,788	31,289	32,376
% Ch	7.1%	4.5%	4.5%	4.3%	2.4%	6.6%	4.8%	5.0%	3.5%
Idaho Nonfarm (Millions)	21,648	23,068	24,085	25,048	25,871	27,452	28,748	30,447	31,382
% Ch	6.3%	6.6%	4.4%	4.0%	3.3%	6.1%	4.7%	5.9%	3.1%
National (Billions)	6,330	6,516	6,718	6,970	7,269	7,734	7,996	8,429	8,545
% Ch	1.3%	2.9%	3.1%	3.8%	4.3%	6.4%	3.4%	5.4%	1.4%
<b>PER CAPITA PERS INC - CURR \$</b>									
Idaho	18,103	18,708	19,431	20,246	20,649	21,788	22,784	24,084	25,029
% Ch	6.0%	3.3%	3.9%	4.2%	2.0%	5.5%	4.6%	5.7%	3.9%
National	21,322	22,142	23,043	24,139	25,295	26,840	27,891	29,806	30,532
% Ch	2.3%	3.8%	4.1%	4.8%	4.8%	6.1%	3.9%	6.9%	2.4%
<b>PER CAPITA PERS INC - 2000 \$</b>									
Idaho	20,617	20,866	21,218	21,642	21,707	22,700	23,349	24,084	24,515
% Ch	3.6%	1.2%	1.7%	2.0%	0.3%	4.6%	2.9%	3.1%	1.8%
National	24,282	24,695	25,163	25,803	26,591	27,964	28,584	29,806	29,906
% Ch	0.0%	1.7%	1.9%	2.5%	3.1%	5.2%	2.2%	4.3%	0.3%
<b>AVERAGE ANNUAL WAGE</b>									
Idaho	22,051	22,728	23,594	24,147	24,803	25,822	26,992	28,657	28,736
% Ch	2.0%	3.1%	3.8%	2.3%	2.7%	4.1%	4.5%	6.2%	0.3%
National	27,807	28,279	29,148	30,237	31,582	33,219	34,622	36,642	37,494
% Ch	1.4%	1.7%	3.1%	3.7%	4.5%	5.2%	4.2%	5.8%	2.3%

National Variables Forecast by Global Insight  
Forecast Begins the FIRST Quarter of 2007

**IDAHO ECONOMIC FORECAST**  
**ANNUAL DETAIL**  
**APRIL 2007**

**OUTPUT, INCOME, & WAGES**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>U.S. GROSS DOM. PRODUCT (Billions)</b>									
Current Dollars	10,470	10,961	11,712	12,456	13,247	13,857	14,507	15,275	16,077
% Ch	3.4%	4.7%	6.9%	6.3%	6.3%	4.6%	4.7%	5.3%	5.2%
2000 Chain-Weighted	10,049	10,301	10,704	11,049	11,415	11,652	11,974	12,366	12,754
% Ch	1.6%	2.5%	3.9%	3.2%	3.3%	2.1%	2.8%	3.3%	3.1%
 <b>PERSONAL INCOME - CURR \$</b>									
Idaho (Millions)	33,849	34,816	38,229	40,706	43,924	46,663	49,424	52,647	56,495
% Ch	2.4%	2.9%	9.8%	6.5%	7.9%	6.2%	5.9%	6.5%	7.3%
Idaho Nonfarm (Millions)	32,921	34,099	37,085	39,768	43,013	45,673	48,382	51,559	55,362
% Ch	2.8%	3.6%	8.8%	7.2%	8.2%	6.2%	5.9%	6.6%	7.4%
National (Billions)	8,882	9,164	9,731	10,239	10,883	11,475	12,065	12,769	13,529
% Ch	1.8%	3.2%	6.2%	5.2%	6.3%	5.4%	5.1%	5.8%	5.9%
 <b>PERSONAL INCOME - 2000 \$</b>									
Idaho (Millions)	32,690	32,970	35,272	36,507	38,341	39,959	41,544	43,361	45,638
% Ch	1.0%	0.9%	7.0%	3.5%	5.0%	4.2%	4.0%	4.4%	5.3%
Idaho Nonfarm (Millions)	31,795	32,290	34,216	35,665	37,546	39,111	40,668	42,465	44,723
% Ch	1.3%	1.6%	6.0%	4.2%	5.3%	4.2%	4.0%	4.4%	5.3%
National (Billions)	8,578	8,678	8,979	9,183	9,500	9,826	10,141	10,517	10,930
% Ch	0.4%	1.2%	3.5%	2.3%	3.5%	3.4%	3.2%	3.7%	3.9%
 <b>PER CAPITA PERS INC - CURR \$</b>									
Idaho	25,222	25,497	27,481	28,504	29,965	31,117	32,282	33,698	35,397
% Ch	0.8%	1.1%	7.8%	3.7%	5.1%	3.8%	3.7%	4.4%	5.0%
National	30,775	31,439	33,067	34,477	36,318	37,953	39,560	41,507	43,599
% Ch	0.8%	2.2%	5.2%	4.3%	5.3%	4.5%	4.2%	4.9%	5.0%
 <b>PER CAPITA PERS INC - 2000 \$</b>									
Idaho	24,360	24,145	25,356	25,566	26,157	26,647	27,136	27,755	28,596
% Ch	-0.6%	-0.9%	5.0%	0.8%	2.3%	1.9%	1.8%	2.3%	3.0%
National	29,723	29,772	30,510	30,923	31,703	32,501	33,253	34,187	35,222
% Ch	-0.6%	0.2%	2.5%	1.4%	2.5%	2.5%	2.3%	2.8%	3.0%
 <b>AVERAGE ANNUAL WAGE</b>									
Idaho	29,209	29,769	30,954	31,923	33,448	34,746	36,031	37,598	39,419
% Ch	1.6%	1.9%	4.0%	3.1%	4.8%	3.9%	3.7%	4.3%	4.8%
National	38,213	39,331	41,026	42,368	44,227	45,888	47,483	49,295	51,263
% Ch	1.9%	2.9%	4.3%	3.3%	4.4%	3.8%	3.5%	3.8%	4.0%

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**IDAHO ECONOMIC FORECAST  
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**PERSONAL INCOME--CURRENT \$\$**

	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>WAGE AND SALARY PAYMENTS</b>									
Idaho (Millions)	9,979	10,896	11,701	12,284	13,078	13,936	15,024	16,552	16,880
% Ch	7.4%	9.2%	7.4%	5.0%	6.5%	6.6%	7.8%	10.2%	2.0%
National (Billions)	3,083	3,232	3,419	3,620	3,878	4,183	4,466	4,829	4,943
% Ch	3.4%	4.8%	5.8%	5.9%	7.1%	7.9%	6.8%	8.1%	2.4%
<b>FARM PROPRIETORS INCOME</b>									
Idaho (Millions)	836	453	515	643	425	607	690	471	646
% Ch	30.2%	-45.8%	13.6%	25.0%	-33.9%	42.8%	13.7%	-31.8%	37.1%
National (Billions)	31	34	23	37	34	29	29	23	20
% Ch	-9.5%	8.7%	-33.2%	64.5%	-8.3%	-14.1%	-2.6%	-20.7%	-13.1%
<b>NONFARM PROPRIETORS INCOME</b>									
Idaho (Millions)	2,087	2,312	2,229	2,324	2,313	2,480	2,765	2,883	3,312
% Ch	18.0%	10.8%	-3.6%	4.2%	-0.5%	7.2%	11.5%	4.3%	14.9%
National (Billions)	423	439	469	506	542	598	650	706	752
% Ch	7.5%	4.0%	6.8%	7.8%	7.1%	10.4%	8.6%	8.6%	6.6%
<b>DIVIDENDS, RENT &amp; INTEREST</b>									
Idaho (Millions)	3,568	3,957	4,350	4,718	5,068	5,545	5,546	5,909	6,195
% Ch	6.8%	10.9%	9.9%	8.5%	7.4%	9.4%	0.0%	6.5%	4.8%
National (Billions)	997	1,070	1,139	1,221	1,310	1,421	1,412	1,537	1,547
% Ch	0.9%	7.3%	6.4%	7.2%	7.3%	8.4%	-0.6%	8.9%	0.7%
<b>OTHER LABOR INCOME</b>									
Idaho (Millions)	2,516	2,729	2,846	2,881	2,929	3,063	3,243	3,549	3,647
% Ch	12.6%	8.5%	4.3%	1.2%	1.7%	4.6%	5.9%	9.4%	2.8%
National (Billions)	472	493	494	492	498	530	562	610	643
% Ch	6.8%	4.4%	0.1%	-0.2%	1.0%	6.5%	6.2%	8.5%	5.4%
<b>GOVT. TRANSFERS TO INDIV.</b>									
Idaho (Millions)	2,645	2,789	3,023	3,319	3,408	3,557	3,776	4,079	4,568
% Ch	7.5%	5.5%	8.4%	9.8%	2.7%	4.4%	6.1%	8.0%	12.0%
National (Billions)	790	827	877	925	951	979	1,022	1,084	1,194
% Ch	5.4%	4.7%	6.1%	5.4%	2.8%	2.9%	4.4%	6.1%	10.1%
<b>CONTRIB. FOR SOCIAL INSUR.</b>									
Idaho (Millions)	1,767	1,951	2,074	2,134	2,223	2,337	2,480	2,676	2,724
% Ch	9.5%	10.5%	6.3%	2.9%	4.2%	5.1%	6.1%	7.9%	1.8%
National (Billions)	240	254	264	275	290	307	323	344	357
% Ch	5.0%	6.0%	3.9%	4.1%	5.3%	6.0%	5.3%	6.2%	3.8%
<b>RESIDENCE ADJUSTMENT</b>									
Idaho (Millions)	210	238	281	326	369	437	504	525	531
% Ch	9.5%	13.3%	18.3%	15.9%	13.2%	18.3%	15.4%	4.1%	1.1%

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**PERSONAL INCOME--CURRENT \$\$**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>WAGE AND SALARY PAYMENTS</b>									
Idaho (Millions)	17,256	17,690	18,914	20,359	22,231	23,502	24,832	26,469	28,522
% Ch	2.2%	2.5%	6.9%	7.6%	9.2%	5.7%	5.7%	6.6%	7.8%
National (Billions)	4,981	5,113	5,392	5,665	6,023	6,326	6,614	6,966	7,346
% Ch	0.8%	2.6%	5.5%	5.1%	6.3%	5.0%	4.6%	5.3%	5.5%
<b>FARM PROPRIETORS INCOME</b>									
Idaho (Millions)	497	337	726	409	367	545	596	637	675
% Ch	-23.0%	-32.2%	115.2%	-43.7%	-10.1%	48.4%	9.4%	6.8%	6.0%
National (Billions)	11	29	36	30	23	26	21	23	27
% Ch	-46.3%	176.4%	23.9%	-16.4%	-25.3%	17.1%	-21.6%	10.8%	16.8%
<b>NONFARM PROPRIETORS INCOME</b>									
Idaho (Millions)	3,290	3,389	3,785	4,211	4,460	4,616	4,912	5,262	5,623
% Ch	-0.6%	3.0%	11.7%	11.2%	5.9%	3.5%	6.4%	7.1%	6.9%
National (Billions)	758	782	875	940	992	1,024	1,084	1,156	1,230
% Ch	0.7%	3.2%	11.9%	7.5%	5.5%	3.2%	5.8%	6.7%	6.5%
<b>DIVIDENDS, RENT &amp; INTEREST</b>									
Idaho (Millions)	6,051	6,227	7,037	7,346	7,953	8,570	9,237	10,043	10,939
% Ch	-2.3%	2.9%	13.0%	4.4%	8.3%	7.8%	7.8%	8.7%	8.9%
National (Billions)	1,486	1,470	1,555	1,592	1,734	1,851	1,993	2,164	2,348
% Ch	-4.0%	-1.1%	5.8%	2.4%	8.9%	6.7%	7.7%	8.6%	8.5%
<b>OTHER LABOR INCOME</b>									
Idaho (Millions)	4,041	4,259	4,659	5,081	5,500	5,836	6,003	6,215	6,573
% Ch	10.8%	5.4%	9.4%	9.1%	8.3%	6.1%	2.9%	3.5%	5.8%
National (Billions)	745	816	866	933	993	1,044	1,074	1,109	1,157
% Ch	15.9%	9.5%	6.2%	7.7%	6.4%	5.2%	2.9%	3.2%	4.3%
<b>GOVT. TRANSFERS TO INDIV.</b>									
Idaho (Millions)	4,971	5,254	5,609	6,026	6,432	6,839	7,272	7,712	8,174
% Ch	8.8%	5.7%	6.8%	7.4%	6.7%	6.3%	6.3%	6.1%	6.0%
National (Billions)	1,286	1,351	1,427	1,527	1,602	1,714	1,814	1,914	2,015
% Ch	7.7%	5.0%	5.6%	7.0%	5.0%	7.0%	5.8%	5.5%	5.3%
<b>CONTRIB. FOR SOCIAL INSUR.</b>									
Idaho (Millions)	2,802	2,909	3,115	3,390	3,739	3,995	4,194	4,480	4,832
% Ch	2.9%	3.8%	7.1%	8.8%	10.3%	6.9%	5.0%	6.8%	7.9%
National (Billions)	365	382	407	432	462	483	505	532	560
% Ch	2.4%	4.6%	6.5%	6.2%	6.7%	4.7%	4.5%	5.3%	5.3%
<b>RESIDENCE ADJUSTMENT</b>									
Idaho (Millions)	544	570	616	665	720	750	768	789	820
% Ch	2.5%	4.9%	8.1%	8.0%	8.2%	4.2%	2.4%	2.7%	3.9%

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**EMPLOYMENT**

	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>TOTAL NONFARM EMPLOYMENT</b>									
Idaho	434,502	460,209	477,044	490,900	507,423	520,478	538,100	558,579	568,033
% Ch	5.1%	5.9%	3.7%	2.9%	3.4%	2.6%	3.4%	3.8%	1.7%
National (Thousands)	110,847	114,282	117,306	119,699	122,767	125,924	128,992	131,792	131,832
% Ch	2.0%	3.1%	2.6%	2.0%	2.6%	2.6%	2.4%	2.2%	0.0%
<b>GOODS PRODUCING SECTOR</b>									
Idaho	90,363	97,410	98,309	102,401	105,505	106,974	108,722	111,883	110,225
% Ch	6.3%	7.8%	0.9%	4.2%	3.0%	1.4%	1.6%	2.9%	-1.5%
National (Thousands)	22,221	22,777	23,161	23,412	23,884	24,352	24,467	24,653	23,874
% Ch	0.6%	2.5%	1.7%	1.1%	2.0%	2.0%	0.5%	0.8%	-3.2%
<b>MANUFACTURING</b>									
Idaho	63,131	65,717	65,638	68,312	70,185	71,528	71,213	73,032	70,392
% Ch	5.4%	4.1%	-0.1%	4.1%	2.7%	1.9%	-0.4%	2.6%	-3.6%
National (Thousands)	16,857	17,106	17,327	17,317	17,500	17,640	17,404	17,345	16,515
% Ch	-0.1%	1.5%	1.3%	-0.1%	1.1%	0.8%	-1.3%	-0.3%	-4.8%
<b>DURABLE MANUFACTURING</b>									
Idaho	34,785	37,820	39,956	42,447	44,215	45,892	45,698	47,407	45,099
% Ch	8.3%	8.7%	5.6%	6.2%	4.2%	3.8%	-0.4%	3.7%	-4.9%
National (Thousands)	9,983	10,214	10,456	10,565	10,785	10,990	10,912	10,956	10,408
% Ch	-0.4%	2.3%	2.4%	1.0%	2.1%	1.9%	-0.7%	0.4%	-5.0%
<b>LOGGING &amp; WOOD PRODUCTS</b>									
Idaho	10,796	11,774	11,864	12,024	11,897	11,463	11,480	11,567	9,849
% Ch	3.2%	9.1%	0.8%	1.3%	-1.0%	-3.6%	0.1%	0.8%	-14.9%
National (Thousands)	605	643	656	663	677	689	701	692	647
% Ch	4.3%	6.2%	2.0%	1.1%	2.1%	1.7%	1.8%	-1.3%	-6.5%
<b>METAL FABRICATION</b>									
Idaho	2,577	2,958	3,410	3,582	3,793	3,826	3,942	4,030	3,876
% Ch	5.8%	14.8%	15.3%	5.0%	5.9%	0.9%	3.0%	2.2%	-3.8%
National (Thousands)	1,510	1,566	1,624	1,648	1,696	1,739	1,728	1,753	1,677
% Ch	0.8%	3.7%	3.7%	1.5%	2.9%	2.6%	-0.6%	1.4%	-4.4%
<b>MACHINERY</b>									
Idaho	2,613	2,901	3,078	3,189	3,065	3,178	3,039	3,305	3,056
% Ch	11.1%	11.0%	6.1%	3.6%	-3.9%	3.7%	-4.4%	8.7%	-7.5%
National (Thousands)	1,329	1,379	1,440	1,466	1,494	1,512	1,466	1,455	1,368
% Ch	1.5%	3.8%	4.4%	1.8%	1.9%	1.3%	-3.1%	-0.8%	-6.0%
<b>COMPUTER &amp; ELECTRONICS</b>									
Idaho	13,169	13,646	14,324	16,280	17,727	19,055	18,406	19,454	19,656
% Ch	12.1%	3.6%	5.0%	13.7%	8.9%	7.5%	-3.4%	5.7%	1.0%
National (Thousands)	1,656	1,651	1,688	1,747	1,803	1,831	1,781	1,820	1,749
% Ch	-3.0%	-0.3%	2.3%	3.4%	3.2%	1.5%	-2.7%	2.2%	-3.9%
<b>OTHER DURABLES</b>									
Idaho	5,630	6,542	7,280	7,373	7,732	8,370	8,831	9,050	8,663
% Ch	9.8%	16.2%	11.3%	1.3%	4.9%	8.3%	5.5%	2.5%	-4.3%
National (Thousands)	4,883	4,975	5,047	5,041	5,115	5,218	5,235	5,236	4,967
% Ch	-1.0%	1.9%	1.4%	-0.1%	1.5%	2.0%	0.3%	0.0%	-5.1%

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**EMPLOYMENT**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>TOTAL NONFARM EMPLOYMENT</b>									
Idaho	568,045	572,542	588,053	611,700	639,778	653,525	666,749	682,237	702,261
% Ch	0.0%	0.8%	2.7%	4.0%	4.6%	2.1%	2.0%	2.3%	2.9%
National (Thousands)	130,347	129,990	131,423	133,696	136,175	137,844	139,287	141,298	143,298
% Ch	-1.1%	-0.3%	1.1%	1.7%	1.9%	1.2%	1.0%	1.4%	1.4%
<b>GOODS PRODUCING SECTOR</b>									
Idaho	105,029	102,382	105,446	112,340	122,280	120,344	118,372	119,187	120,369
% Ch	-4.7%	-2.5%	3.0%	6.5%	8.8%	-1.6%	-1.6%	0.7%	1.0%
National (Thousands)	22,555	21,811	21,882	22,192	22,576	22,310	21,970	21,976	22,176
% Ch	-5.5%	-3.3%	0.3%	1.4%	1.7%	-1.2%	-1.5%	0.0%	0.9%
<b>MANUFACTURING</b>									
Idaho	66,804	63,861	63,680	65,041	67,743	67,406	66,693	67,263	68,461
% Ch	-5.1%	-4.4%	-0.3%	2.1%	4.2%	-0.5%	-1.1%	0.9%	1.8%
National (Thousands)	15,328	14,575	14,384	14,294	14,267	14,112	13,908	13,837	13,852
% Ch	-7.2%	-4.9%	-1.3%	-0.6%	-0.2%	-1.1%	-1.4%	-0.5%	0.1%
<b>DURABLE MANUFACTURING</b>									
Idaho	42,320	39,950	40,549	42,113	44,514	44,299	43,525	43,849	44,796
% Ch	-6.2%	-5.6%	1.5%	3.9%	5.7%	-0.5%	-1.7%	0.7%	2.2%
National (Thousands)	9,553	9,030	8,992	9,021	9,069	8,971	8,848	8,835	8,867
% Ch	-8.2%	-5.5%	-0.4%	0.3%	0.5%	-1.1%	-1.4%	-0.1%	0.4%
<b>LOGGING &amp; WOOD PRODUCTS</b>									
Idaho	9,553	9,046	9,295	9,620	10,029	9,296	8,917	9,038	9,294
% Ch	-3.0%	-5.3%	2.8%	3.5%	4.3%	-7.3%	-4.1%	1.4%	2.8%
National (Thousands)	625	607	617	625	626	591	569	575	595
% Ch	-3.3%	-3.0%	1.8%	1.2%	0.2%	-5.5%	-3.7%	1.0%	3.6%
<b>METAL FABRICATION</b>									
Idaho	3,636	3,537	3,636	3,906	4,349	4,505	4,591	4,675	4,716
% Ch	-6.2%	-2.7%	2.8%	7.4%	11.4%	3.6%	1.9%	1.8%	0.9%
National (Thousands)	1,549	1,479	1,497	1,522	1,554	1,567	1,573	1,585	1,586
% Ch	-7.6%	-4.5%	1.2%	1.7%	2.1%	0.8%	0.4%	0.8%	0.1%
<b>MACHINERY</b>									
Idaho	2,832	2,633	2,570	2,607	2,862	2,849	2,766	2,747	2,749
% Ch	-7.3%	-7.0%	-2.4%	1.4%	9.8%	-0.4%	-2.9%	-0.7%	0.0%
National (Thousands)	1,229	1,149	1,143	1,163	1,192	1,225	1,206	1,193	1,193
% Ch	-10.2%	-6.5%	-0.5%	1.7%	2.5%	2.8%	-1.6%	-1.0%	0.0%
<b>COMPUTER &amp; ELECTRONICS</b>									
Idaho	17,933	16,297	16,285	16,182	16,670	16,911	16,300	16,060	16,345
% Ch	-8.8%	-9.1%	-0.1%	-0.6%	3.0%	1.4%	-3.6%	-1.5%	1.8%
National (Thousands)	1,507	1,355	1,323	1,316	1,316	1,303	1,259	1,232	1,216
% Ch	-13.8%	-10.1%	-2.4%	-0.5%	0.0%	-1.0%	-3.4%	-2.1%	-1.3%
<b>OTHER DURABLES</b>									
Idaho	8,366	8,436	8,762	9,799	10,603	10,739	10,952	11,329	11,692
% Ch	-3.4%	0.8%	3.9%	11.8%	8.2%	1.3%	2.0%	3.4%	3.2%
National (Thousands)	4,643	4,440	4,412	4,395	4,380	4,284	4,241	4,250	4,277
% Ch	-6.5%	-4.4%	-0.6%	-0.4%	-0.3%	-2.2%	-1.0%	0.2%	0.6%

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**EMPLOYMENT**

<b>MANUFACTURING (continued)</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>NONDURABLE MANUFACTURING</b>									
Idaho	28,346	27,897	25,682	25,866	25,970	25,636	25,515	25,625	25,294
% Ch	2.0%	-1.6%	-7.9%	0.7%	0.4%	-1.3%	-0.5%	0.4%	-1.3%
National (Thousands)	6,874	6,892	6,871	6,752	6,715	6,650	6,493	6,388	6,107
% Ch	0.3%	0.3%	-0.3%	-1.7%	-0.6%	-1.0%	-2.4%	-1.6%	-4.4%
<b>FOOD PROCESSING</b>									
Idaho	17,856	17,369	16,827	17,119	17,263	16,830	16,705	16,660	16,521
% Ch	2.4%	-2.7%	-3.1%	1.7%	0.8%	-2.5%	-0.7%	-0.3%	-0.8%
National (Thousands)	1,535	1,540	1,561	1,562	1,557	1,555	1,550	1,553	1,550
% Ch	1.1%	0.3%	1.3%	0.1%	-0.3%	-0.1%	-0.3%	0.2%	-0.2%
<b>PRINTING</b>									
Idaho	2,231	2,241	2,308	2,365	2,326	2,307	2,234	2,339	2,225
% Ch	0.9%	0.4%	3.0%	2.5%	-1.6%	-0.8%	-3.2%	4.7%	-4.9%
National (Thousands)	785	802	817	816	821	828	814	807	769
% Ch	0.6%	2.2%	1.9%	-0.2%	0.6%	0.8%	-1.6%	-0.9%	-4.7%
<b>CHEMICALS</b>									
Idaho	4,210	4,099	2,354	2,330	2,273	2,361	2,314	2,336	2,324
% Ch	-1.1%	-2.6%	-42.6%	-1.0%	-2.5%	3.9%	-2.0%	1.0%	-0.5%
National (Thousands)	1,025	1,005	988	985	987	993	983	980	959
% Ch	-0.4%	-2.0%	-1.7%	-0.3%	0.2%	0.6%	-1.0%	-0.2%	-2.2%
<b>OTHER NONDURABLES</b>									
Idaho	4,049	4,187	4,193	4,051	4,108	4,138	4,262	4,290	4,224
% Ch	4.2%	3.4%	0.1%	-3.4%	1.4%	0.7%	3.0%	0.7%	-1.5%
National (Thousands)	3,529	3,545	3,505	3,390	3,350	3,274	3,145	3,048	2,829
% Ch	0.1%	0.5%	-1.1%	-3.3%	-1.2%	-2.3%	-3.9%	-3.1%	-7.2%
<b>MINING</b>									
Idaho	2,164	2,367	2,683	2,977	2,996	2,817	2,485	2,347	1,973
% Ch	-16.1%	9.4%	13.3%	11.0%	0.6%	-6.0%	-11.8%	-5.5%	-15.9%
National (Thousands)	585	576	558	556	571	565	518	520	532
% Ch	-4.1%	-1.4%	-3.2%	-0.3%	2.7%	-1.1%	-8.4%	0.5%	2.4%
<b>CONSTRUCTION</b>									
Idaho	25,068	29,326	29,988	31,112	32,324	32,629	35,025	36,504	37,860
% Ch	11.4%	17.0%	2.3%	3.7%	3.9%	0.9%	7.3%	4.2%	3.7%
National (Thousands)	4,779	5,094	5,276	5,538	5,813	6,147	6,545	6,788	6,827
% Ch	3.8%	6.6%	3.6%	5.0%	5.0%	5.8%	6.5%	3.7%	0.6%
<b>NONGOODS PRODUCING</b>									
Idaho	344,139	362,799	378,735	388,498	401,917	413,503	429,378	446,696	457,809
% Ch	4.8%	5.4%	4.4%	2.6%	3.5%	2.9%	3.8%	4.0%	2.5%
National (Thousands)	88,626	91,505	94,145	96,287	98,883	101,571	104,525	107,139	107,958
% Ch	2.3%	3.2%	2.9%	2.3%	2.7%	2.7%	2.9%	2.5%	0.8%
<b>SERVICES</b>									
Idaho	173,523	185,543	196,052	202,105	210,033	217,464	227,557	238,281	249,579
% Ch	6.3%	6.9%	5.7%	3.1%	3.9%	3.5%	4.6%	4.7%	4.7%
National (Thousands)	51,520	53,498	55,382	57,094	59,170	61,256	63,350	65,137	65,824
% Ch	3.2%	3.8%	3.5%	3.1%	3.6%	3.5%	3.4%	2.8%	1.1%
<b>INFORMATION</b>									
Idaho	7,195	7,413	7,602	7,699	7,587	8,376	9,274	9,859	9,596
% Ch	1.6%	3.0%	2.5%	1.3%	-1.5%	10.4%	10.7%	6.3%	-2.7%
National (Thousands)	2,667	2,739	2,844	2,940	3,084	3,219	3,418	3,629	3,629
% Ch	1.0%	2.7%	3.8%	3.4%	4.9%	4.4%	6.2%	6.2%	0.0%
<b>FINANCIAL ACTIVITIES</b>									
Idaho	23,257	24,520	25,492	26,833	26,835	24,256	25,306	25,161	25,013
% Ch	5.2%	5.4%	4.0%	5.3%	0.0%	-9.6%	4.3%	-0.6%	-0.6%
National (Thousands)	6,708	6,866	6,828	6,969	7,178	7,462	7,646	7,688	7,808
% Ch	2.6%	2.4%	-0.6%	2.1%	3.0%	4.0%	2.5%	0.5%	1.6%

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**EMPLOYMENT**

<b>MANUFACTURING (continued)</b>									
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>NONDURABLE MANUFACTURING</b>									
Idaho	24,484	23,912	23,131	22,928	23,230	23,106	23,168	23,414	23,665
% Ch	-3.2%	-2.3%	-3.3%	-0.9%	1.3%	-0.5%	0.3%	1.1%	1.1%
National (Thousands)	5,774	5,545	5,392	5,273	5,198	5,141	5,060	5,002	4,984
% Ch	-5.4%	-4.0%	-2.8%	-2.2%	-1.4%	-1.1%	-1.6%	-1.1%	-0.4%
<b>FOOD PROCESSING</b>									
Idaho	16,355	15,901	14,999	14,713	14,731	14,587	14,648	14,836	15,072
% Ch	-1.0%	-2.8%	-5.7%	-1.9%	0.1%	-1.0%	0.4%	1.3%	1.6%
National (Thousands)	1,525	1,517	1,495	1,478	1,485	1,495	1,499	1,512	1,531
% Ch	-1.6%	-0.5%	-1.5%	-1.1%	0.4%	0.7%	0.3%	0.8%	1.2%
<b>PRINTING</b>									
Idaho	2,033	2,030	1,921	1,900	1,902	1,874	1,823	1,797	1,770
% Ch	-8.6%	-0.1%	-5.3%	-1.1%	0.1%	-1.5%	-2.7%	-1.4%	-1.5%
National (Thousands)	707	680	663	646	636	635	628	618	612
% Ch	-8.1%	-3.7%	-2.6%	-2.4%	-1.6%	-0.1%	-1.0%	-1.7%	-1.0%
<b>CHEMICALS</b>									
Idaho	1,925	1,831	1,878	1,937	2,117	2,036	2,003	1,974	1,891
% Ch	-17.1%	-4.9%	2.5%	3.2%	9.3%	-3.8%	-1.6%	-1.5%	-4.2%
National (Thousands)	927	906	887	872	869	866	852	844	844
% Ch	-3.3%	-2.3%	-2.1%	-1.7%	-0.4%	-0.3%	-1.6%	-0.9%	0.0%
<b>OTHER NONDURABLES</b>									
Idaho	4,171	4,151	4,333	4,378	4,480	4,609	4,694	4,807	4,932
% Ch	-1.2%	-0.5%	4.4%	1.0%	2.3%	2.9%	1.9%	2.4%	2.6%
National (Thousands)	2,615	2,442	2,348	2,276	2,209	2,146	2,080	2,028	1,998
% Ch	-7.6%	-6.6%	-3.9%	-3.0%	-3.0%	-2.8%	-3.1%	-2.5%	-1.5%
<b>MINING</b>									
Idaho	1,758	1,784	1,931	2,160	2,371	2,284	2,214	2,095	1,958
% Ch	-10.9%	1.5%	8.2%	11.9%	9.7%	-3.7%	-3.0%	-5.4%	-6.5%
National (Thousands)	512	503	523	562	619	636	621	599	572
% Ch	-3.8%	-1.8%	4.0%	7.5%	10.1%	2.9%	-2.4%	-3.5%	-4.6%
<b>CONSTRUCTION</b>									
Idaho	36,466	36,736	39,835	45,138	52,166	50,655	49,464	49,830	49,950
% Ch	-3.7%	0.7%	8.4%	13.3%	15.6%	-2.9%	-2.4%	0.7%	0.2%
National (Thousands)	6,715	6,734	6,976	7,336	7,690	7,562	7,441	7,539	7,753
% Ch	-1.6%	0.3%	3.6%	5.2%	4.8%	-1.7%	-1.6%	1.3%	2.8%
<b>NONGOODS PRODUCING</b>									
Idaho	463,016	470,160	482,607	499,360	517,498	533,181	548,377	563,050	581,892
% Ch	1.1%	1.5%	2.6%	3.5%	3.6%	3.0%	2.9%	2.7%	3.3%
National (Thousands)	107,792	108,179	109,541	111,505	113,599	115,534	117,317	119,322	121,122
% Ch	-0.2%	0.4%	1.3%	1.8%	1.9%	1.7%	1.5%	1.7%	1.5%
<b>SERVICES</b>									
Idaho	253,634	260,020	269,017	280,743	292,706	302,539	312,805	322,845	334,774
% Ch	1.6%	2.5%	3.5%	4.4%	4.3%	3.4%	3.4%	3.2%	3.7%
National (Thousands)	65,602	66,075	67,201	68,655	70,393	71,940	73,257	74,837	76,208
% Ch	-0.3%	0.7%	1.7%	2.2%	2.5%	2.2%	1.8%	2.2%	1.8%
<b>INFORMATION</b>									
Idaho	9,155	9,181	9,934	11,070	10,597	10,637	10,814	11,077	11,371
% Ch	-4.6%	0.3%	8.2%	11.4%	-4.3%	0.4%	1.7%	2.4%	2.7%
National (Thousands)	3,394	3,189	3,117	3,060	3,054	3,061	3,035	3,073	3,097
% Ch	-6.5%	-6.1%	-2.3%	-1.8%	-0.2%	0.2%	-0.9%	1.3%	0.8%
<b>FINANCIAL ACTIVITIES</b>									
Idaho	25,824	26,945	27,937	29,653	31,739	32,631	33,736	34,912	36,170
% Ch	3.2%	4.3%	3.7%	6.1%	7.0%	2.8%	3.4%	3.5%	3.6%
National (Thousands)	7,847	7,976	8,031	8,153	8,363	8,471	8,479	8,558	8,670
% Ch	0.5%	1.6%	0.7%	1.5%	2.6%	1.3%	0.1%	0.9%	1.3%

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**EMPLOYMENT**

**SERVICES (Continued)**

	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>TRANS., WAREHOUSING, UTILITIES</b>									
Idaho	14,557	15,465	16,508	17,329	17,624	18,159	19,004	19,409	19,157
% Ch	3.6%	6.2%	6.7%	5.0%	1.7%	3.0%	4.7%	2.1%	-1.3%
National (Thousands)	4,264	4,390	4,505	4,576	4,647	4,781	4,906	5,013	4,973
% Ch	1.8%	2.9%	2.6%	1.6%	1.5%	2.9%	2.6%	2.2%	-0.8%
<b>PROFESSIONAL &amp; BUSINESS</b>									
Idaho	36,872	39,173	42,480	42,934	47,295	50,766	54,794	60,626	67,656
% Ch	9.2%	6.2%	8.4%	1.1%	10.2%	7.3%	7.9%	10.6%	11.6%
National (Thousands)	11,493	12,171	12,846	13,461	14,333	15,142	15,954	16,670	16,481
% Ch	4.8%	5.9%	5.6%	4.8%	6.5%	5.6%	5.4%	4.5%	-1.1%
<b>EDUCATION &amp; HEALTH</b>									
Idaho	36,841	39,048	41,491	44,361	46,347	49,248	50,574	53,017	56,956
% Ch	6.6%	6.0%	6.3%	6.9%	4.5%	6.3%	2.7%	4.8%	7.4%
National (Thousands)	12,303	12,806	13,288	13,683	14,088	14,445	14,795	15,109	15,643
% Ch	3.5%	4.1%	3.8%	3.0%	3.0%	2.5%	2.4%	2.1%	3.5%
<b>LEISURE &amp; HOSPITALITY</b>									
Idaho	41,375	44,569	46,651	47,558	48,839	50,425	51,461	52,565	53,059
% Ch	4.4%	7.7%	4.7%	1.9%	2.7%	3.2%	2.1%	2.1%	0.9%
National (Thousands)	9,733	10,098	10,499	10,774	11,016	11,232	11,544	11,860	12,032
% Ch	3.1%	3.7%	4.0%	2.6%	2.3%	2.0%	2.8%	2.7%	1.5%
<b>OTHER SERVICES</b>									
Idaho	13,426	15,355	15,829	15,393	15,506	16,235	17,144	17,643	18,143
% Ch	11.5%	14.4%	3.1%	-2.8%	0.7%	4.7%	5.6%	2.9%	2.8%
National (Thousands)	4,350	4,429	4,572	4,691	4,825	4,976	5,087	5,168	5,258
% Ch	2.6%	1.8%	3.2%	2.6%	2.9%	3.1%	2.2%	1.6%	1.7%
<b>TRADE</b>									
Idaho	78,874	83,336	86,215	89,134	91,683	93,772	96,725	100,169	98,087
% Ch	3.9%	5.7%	3.5%	3.4%	2.9%	2.3%	3.1%	3.6%	-2.1%
National (Thousands)	18,113	18,733	19,328	19,663	20,053	20,405	20,863	21,212	21,013
% Ch	1.0%	3.4%	3.2%	1.7%	2.0%	1.8%	2.2%	1.7%	-0.9%
<b>RETAIL TRADE</b>									
Idaho	57,743	61,034	63,162	65,408	67,175	69,160	71,418	74,456	72,622
% Ch	5.3%	5.7%	3.5%	3.6%	2.7%	3.0%	3.3%	4.3%	-2.5%
National (Thousands)	13,019	13,486	13,895	14,141	14,390	14,610	14,971	15,279	15,240
% Ch	1.5%	3.6%	3.0%	1.8%	1.8%	1.5%	2.5%	2.1%	-0.3%
<b>WHOLESALE TRADE</b>									
Idaho	21,132	22,303	23,053	23,726	24,508	24,612	25,306	25,713	25,465
% Ch	0.2%	5.5%	3.4%	2.9%	3.3%	0.4%	2.8%	1.6%	-1.0%
National (Thousands)	5,094	5,247	5,433	5,523	5,663	5,795	5,893	5,933	5,773
% Ch	-0.3%	3.0%	3.5%	1.6%	2.6%	2.3%	1.7%	0.7%	-2.7%
<b>STATE &amp; LOCAL GOVERNMENT</b>									
Idaho	78,166	80,426	83,355	84,360	87,298	89,467	92,262	94,745	96,862
% Ch	3.0%	2.9%	3.6%	1.2%	3.5%	2.5%	3.1%	2.7%	2.2%
National (Thousands)	15,436	15,674	15,931	16,258	16,488	16,653	16,854	17,139	17,542
% Ch	1.4%	1.5%	1.6%	2.1%	1.4%	1.0%	1.2%	1.7%	2.4%
<b>EDUCATION</b>									
Idaho	39,830	40,542	42,571	42,572	44,219	45,413	46,749	47,989	49,024
% Ch	3.4%	1.8%	5.0%	0.0%	3.9%	2.7%	2.9%	2.7%	2.2%
<b>NONEDUCATION</b>									
Idaho	38,336	39,884	40,783	41,787	43,078	44,055	45,513	46,756	47,838
% Ch	2.6%	4.0%	2.3%	2.5%	3.1%	2.3%	3.3%	2.7%	2.3%
<b>FEDERAL GOVERNMENT</b>									
Idaho	13,575	13,493	13,113	12,899	12,904	12,800	12,834	13,502	13,280
% Ch	0.9%	-0.6%	-2.8%	-1.6%	0.0%	-0.8%	0.3%	5.2%	-1.6%
National (Thousands)	3,062	3,016	2,947	2,876	2,806	2,771	2,770	2,865	2,763
% Ch	-1.6%	-1.5%	-2.3%	-2.4%	-2.5%	-1.2%	0.0%	3.4%	-3.6%

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**EMPLOYMENT**

<b>SERVICES (Continued)</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>TRANS., WAREHOUSING, UTILITIES</b>									
Idaho	18,676	18,763	18,945	19,293	20,222	20,673	20,804	20,808	21,125
% Ch	-2.5%	0.5%	1.0%	1.8%	4.8%	2.2%	0.6%	0.0%	1.5%
National (Thousands)	4,820	4,761	4,811	4,916	5,014	5,107	5,233	5,384	5,537
% Ch	-3.1%	-1.2%	1.0%	2.2%	2.0%	1.9%	2.5%	2.9%	2.9%
<b>PROFESSIONAL &amp; BUSINESS</b>									
Idaho	69,021	70,008	73,147	76,910	81,384	84,227	88,017	91,664	95,690
% Ch	2.0%	1.4%	4.5%	5.1%	5.8%	3.5%	4.5%	4.1%	4.4%
National (Thousands)	15,981	15,987	16,386	16,946	17,555	18,060	18,745	19,621	20,343
% Ch	-3.0%	0.0%	2.5%	3.4%	3.6%	2.9%	3.8%	4.7%	3.7%
<b>EDUCATION &amp; HEALTH</b>									
Idaho	59,809	62,550	65,215	67,986	70,174	72,704	74,734	77,036	79,935
% Ch	5.0%	4.6%	4.3%	4.2%	3.2%	3.6%	2.8%	3.1%	3.8%
National (Thousands)	16,201	16,588	16,952	17,371	17,836	18,254	18,521	18,815	18,980
% Ch	3.6%	2.4%	2.2%	2.5%	2.7%	2.3%	1.5%	1.6%	0.9%
<b>LEISURE &amp; HOSPITALITY</b>									
Idaho	53,282	54,407	55,570	57,357	59,582	62,058	64,321	66,154	68,291
% Ch	0.4%	2.1%	2.1%	3.2%	3.9%	4.2%	3.6%	2.9%	3.2%
National (Thousands)	11,986	12,173	12,495	12,814	13,139	13,499	13,753	13,920	14,114
% Ch	-0.4%	1.6%	2.6%	2.6%	2.5%	2.7%	1.9%	1.2%	1.4%
<b>OTHER SERVICES</b>									
Idaho	17,867	18,167	18,270	18,475	19,008	19,608	20,379	21,193	22,191
% Ch	-1.5%	1.7%	0.6%	1.1%	2.9%	3.2%	3.9%	4.0%	4.7%
National (Thousands)	5,372	5,401	5,409	5,394	5,432	5,487	5,492	5,466	5,467
% Ch	2.2%	0.5%	0.1%	-0.3%	0.7%	1.0%	0.1%	-0.5%	0.0%
<b>TRADE</b>									
Idaho	97,342	97,117	99,127	103,672	107,570	112,169	116,012	119,720	124,799
% Ch	-0.8%	-0.2%	2.1%	4.6%	3.8%	4.3%	3.4%	3.2%	4.2%
National (Thousands)	20,680	20,524	20,721	21,043	21,218	21,350	21,646	21,876	22,022
% Ch	-1.6%	-0.8%	1.0%	1.6%	0.8%	0.6%	1.4%	1.1%	0.7%
<b>RETAIL TRADE</b>									
Idaho	72,396	72,621	73,719	76,794	80,625	84,327	87,237	90,141	94,098
% Ch	-0.3%	0.3%	1.5%	4.2%	5.0%	4.6%	3.5%	3.3%	4.4%
National (Thousands)	15,027	14,916	15,059	15,281	15,321	15,393	15,643	15,798	15,847
% Ch	-1.4%	-0.7%	1.0%	1.5%	0.3%	0.5%	1.6%	1.0%	0.3%
<b>WHOLESALE TRADE</b>									
Idaho	24,946	24,496	25,407	26,878	26,945	27,842	28,775	29,579	30,701
% Ch	-2.0%	-1.8%	3.7%	5.8%	0.3%	3.3%	3.4%	2.8%	3.8%
National (Thousands)	5,653	5,608	5,662	5,762	5,897	5,956	6,003	6,078	6,175
% Ch	-2.1%	-0.8%	1.0%	1.8%	2.3%	1.0%	0.8%	1.2%	1.6%
<b>STATE &amp; LOCAL GOVERNMENT</b>									
Idaho	98,489	99,401	101,153	101,868	104,349	105,491	106,491	107,464	108,826
% Ch	1.7%	0.9%	1.8%	0.7%	2.4%	1.1%	0.9%	0.9%	1.3%
National (Thousands)	18,744	18,819	18,889	19,074	19,260	19,514	19,674	19,885	20,090
% Ch	2.1%	0.4%	0.4%	1.0%	1.0%	1.3%	0.8%	1.1%	1.0%
<b>EDUCATION</b>									
Idaho	49,657	49,912	50,820	51,305	53,500	54,821	55,571	56,335	57,313
% Ch	1.3%	0.5%	1.8%	1.0%	4.3%	2.5%	1.4%	1.4%	1.7%
<b>NONEDUCATION</b>									
Idaho	48,832	49,489	50,333	50,563	50,849	50,670	50,920	51,130	51,513
% Ch	2.1%	1.3%	1.7%	0.5%	0.6%	-0.4%	0.5%	0.4%	0.8%
<b>FEDERAL GOVERNMENT</b>									
Idaho	13,551	13,623	13,310	13,078	12,873	12,983	13,069	13,021	13,493
% Ch	2.0%	0.5%	-2.3%	-1.7%	-1.6%	0.9%	0.7%	-0.4%	3.6%
National (Thousands)	2,766	2,761	2,731	2,732	2,728	2,730	2,740	2,725	2,802
% Ch	0.1%	-0.2%	-1.1%	0.1%	-0.2%	0.1%	0.3%	-0.5%	2.8%

National Variables Forecast by Global Insight  
Forecast Begins the FIRST Quarter of 2007

**IDAHO ECONOMIC FORECAST  
ANNUAL DETAIL  
APRIL 2007**

**MISCELLANEOUS**

	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>SELECTED CHAIN-WEIGHTED DEFL.</b>									
<b>Gross Domestic Product</b>	88.391	90.265	92.115	93.859	95.415	96.475	97.868	100.000	102.402
% Ch	2.3%	2.1%	2.0%	1.9%	1.7%	1.1%	1.4%	2.2%	2.4%
<b>Consumption Expenditures</b>	87.804	89.654	91.577	93.547	95.124	95.978	97.575	100.000	102.094
% Ch	2.3%	2.1%	2.1%	2.2%	1.7%	0.9%	1.7%	2.5%	2.1%
<b>Durable Goods</b>	107.841	109.978	110.672	109.507	107.068	104.152	101.626	100.000	98.114
% Ch	1.0%	2.0%	0.6%	-1.1%	-2.2%	-2.7%	-2.4%	-1.6%	-1.9%
<b>Nondurable Goods</b>	88.973	89.605	90.629	92.567	93.835	93.821	96.173	100.000	101.531
% Ch	1.0%	0.7%	1.1%	2.1%	1.4%	0.0%	2.5%	4.0%	1.5%
<b>Services</b>	83.345	85.748	88.320	90.844	93.305	95.319	97.393	100.000	103.257
% Ch	3.3%	2.9%	3.0%	2.9%	2.7%	2.2%	2.2%	2.7%	3.3%
<b>Consumer Price Index (1982-84=1.000)</b>	1.445	1.482	1.524	1.569	1.605	1.630	1.666	1.722	1.770
% Ch	3.0%	2.6%	2.8%	2.9%	2.3%	1.5%	2.2%	3.4%	2.8%
<b>SELECTED INTEREST RATES</b>									
<b>Federal Funds</b>	3.0%	4.2%	5.8%	5.3%	5.5%	5.4%	5.0%	6.2%	3.9%
<b>NY Fed Discount</b>	3.0%	3.6%	5.2%	5.0%	5.0%	4.9%	4.6%	5.7%	3.4%
<b>Prime</b>	6.0%	7.1%	8.8%	8.3%	8.4%	8.4%	8.0%	9.2%	6.9%
<b>Existing Home Mortgage</b>	7.2%	7.5%	7.8%	7.7%	7.7%	7.1%	7.3%	8.0%	7.0%
<b>U.S. Govt. 3-Month Bills</b>	3.0%	4.2%	5.5%	5.0%	5.1%	4.8%	4.6%	5.8%	3.4%
<b>U.S. Govt. 6-Month Bills</b>	3.1%	4.6%	5.6%	5.1%	5.2%	4.8%	4.7%	5.9%	3.4%
<b>U.S. Govt. 5-Year Notes</b>	5.1%	6.7%	6.4%	6.2%	6.2%	5.2%	5.5%	6.2%	4.6%
<b>U.S. Govt. 10-Year Notes</b>	5.9%	7.1%	6.6%	6.4%	6.4%	5.3%	5.6%	6.0%	5.0%
<b>SELECTED US PRODUCTION INDICES</b>									
<b>Wood Products</b>	84.2	89.2	91.3	94.3	97.1	101.5	105.7	104.2	97.5
% Ch	1.1%	5.9%	2.4%	3.3%	3.0%	4.5%	4.2%	-1.5%	-6.4%
<b>Computers &amp; Electronic Products</b>	15.8	18.9	24.9	32.0	43.0	56.2	75.5	101.8	103.5
% Ch	11.6%	20.0%	31.9%	28.3%	34.3%	30.7%	34.3%	34.8%	1.7%
<b>Food</b>	87.6	88.2	90.4	88.6	91.0	95.0	96.0	97.7	97.7
% Ch	2.7%	0.6%	2.6%	-2.1%	2.8%	4.4%	1.0%	1.7%	0.0%
<b>Agricultural Chemicals</b>	114.9	114.8	114.3	116.6	121.0	123.5	111.3	105.1	96.7
% Ch	0.8%	-0.2%	-0.4%	2.0%	3.8%	2.1%	-9.9%	-5.6%	-8.0%
<b>Metal Ore Mining</b>	119.2	121.4	122.6	125.3	132.1	131.5	120.7	120.2	109.2
% Ch	-0.7%	1.9%	1.0%	2.2%	5.5%	-0.4%	-8.3%	-0.4%	-9.2%

National Variables Forecast by Global Insight  
Forecast Begins the FIRST Quarter of 2007

**IDAHO ECONOMIC FORECAST  
ANNUAL DETAIL  
APRIL 2007**

**MISCELLANEOUS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>SELECTED CHAIN-WEIGHTED DEFL.</b>									
<b>Gross Domestic Product</b>	104.193	106.410	109.429	112.744	116.062	118.920	121.145	123.519	126.046
% Ch	1.7%	2.1%	2.8%	3.0%	2.9%	2.5%	1.9%	2.0%	2.0%
<b>Consumption Expenditures</b>	103.542	105.597	108.373	111.493	114.556	116.772	118.962	121.406	123.778
% Ch	1.4%	2.0%	2.6%	2.9%	2.7%	1.9%	1.9%	2.1%	2.0%
<b>Durable Goods</b>	95.766	92.366	90.845	90.198	88.981	87.536	87.000	86.761	86.324
% Ch	-2.4%	-3.6%	-1.6%	-0.7%	-1.3%	-1.6%	-0.6%	-0.3%	-0.5%
<b>Nondurable Goods</b>	102.089	104.145	107.618	111.531	114.959	116.271	117.669	119.773	121.753
% Ch	0.5%	2.0%	3.3%	3.6%	3.1%	1.1%	1.2%	1.8%	1.7%
<b>Services</b>	106.018	109.379	112.863	116.529	120.509	124.154	127.469	130.797	134.128
% Ch	2.7%	3.2%	3.2%	3.2%	3.4%	3.0%	2.7%	2.6%	2.5%
<b>Consumer Price Index (1982-84=100)</b>	1.799	1.840	1.889	1.953	2.016	2.058	2.098	2.140	2.181
% Ch	1.6%	2.3%	2.7%	3.4%	3.2%	2.1%	1.9%	2.0%	1.9%

**SELECTED INTEREST RATES**

<b>Federal Funds</b>	1.7%	1.1%	1.3%	3.2%	5.0%	5.2%	5.0%	5.0%	5.0%
<b>NY Fed Discount</b>	1.2%	2.1%	2.3%	4.2%	5.9%	6.2%	6.0%	6.0%	6.0%
<b>Prime</b>	4.7%	4.1%	4.3%	6.2%	8.0%	8.2%	8.0%	8.0%	8.0%
<b>Existing Home Mortgage</b>	6.5%	5.7%	5.7%	5.9%	6.6%	6.4%	6.8%	7.0%	7.0%
<b>U.S. Govt. 3-Month Bills</b>	1.6%	1.0%	1.4%	3.1%	4.7%	4.9%	4.9%	4.9%	4.9%
<b>U.S. Govt. 6-Month Bills</b>	1.7%	1.1%	1.6%	3.4%	4.8%	4.9%	4.9%	5.0%	5.0%
<b>U.S. Govt. 5-Year Notes</b>	3.8%	3.0%	3.4%	4.0%	4.7%	4.7%	5.0%	5.2%	5.3%
<b>U.S. Govt. 10-Year Notes</b>	4.6%	4.0%	4.3%	4.3%	4.8%	4.7%	5.0%	5.3%	5.4%

**SELECTED US PRODUCTION INDICES**

<b>Wood Products</b>	100.0	100.9	104.5	111.1	107.7	95.9	94.0	97.4	101.6
% Ch	2.5%	0.9%	3.6%	6.3%	-3.0%	-11.0%	-1.9%	3.5%	4.3%
<b>Computers &amp; Electronic Products</b>	100.0	111.5	126.2	141.0	169.4	193.3	214.8	237.7	263.8
% Ch	-3.4%	11.5%	13.1%	11.7%	20.1%	14.1%	11.1%	10.7%	10.9%
<b>Food</b>	100.0	101.0	101.1	104.5	107.7	110.8	112.6	115.1	117.5
% Ch	2.4%	1.0%	0.1%	3.3%	3.1%	2.9%	1.6%	2.2%	2.1%
<b>Agricultural Chemicals</b>	100.0	104.5	109.7	115.6	116.6	112.6	122.2	126.4	128.8
% Ch	3.4%	4.5%	5.0%	5.4%	0.8%	-3.4%	8.5%	3.4%	1.9%
<b>Metal Ore Mining</b>	100.0	94.3	94.0	101.8	103.1	108.7	110.9	112.6	113.9
% Ch	-8.4%	-5.7%	-0.4%	8.3%	1.3%	5.5%	2.0%	1.5%	1.2%

National Variables Forecast by Global Insight  
Forecast Begins the FIRST Quarter of 2007

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
APRIL 2007**

**DEMOGRAPHICS**

	Q1	2004 Q2	Q3	Q4	Q1	2005 Q2	Q3	Q4	Q1	2006 Q2	Q3	Q4
<b>POPULATION</b>												
Idaho (Thousands)	1,381.2	1,387.6	1,394.3	1,400.9	1,411.2	1,422.5	1,434.2	1,444.0	1,452.7	1,461.7	1,470.0	1,478.5
% Ch	1.9%	1.9%	2.0%	1.9%	3.0%	3.2%	3.3%	2.8%	2.4%	2.5%	2.3%	2.3%
National (Millions)	293.180	293.908	294.695	295.347	295.950	296.639	297.314	297.985	298.657	299.328	299.996	300.663
% Ch	0.9%	1.0%	1.1%	0.9%	0.8%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
<b>BIRTHS</b>												
Idaho (Thousands)	22.203	22.409	22.682	22.810	22.520	22.939	23.277	23.539	23.811	24.042	24.249	24.462
% Ch	2.4%	3.8%	5.0%	2.3%	-5.0%	7.7%	6.0%	4.6%	4.7%	3.9%	3.5%	3.6%
National (Thousands)	3,915	3,921	3,928	3,935	3,943	3,951	3,959	3,968	3,977	3,986	3,995	4,006
% Ch	0.6%	0.6%	0.7%	0.8%	0.8%	0.8%	0.8%	0.9%	0.9%	0.9%	0.9%	1.1%
<b>DEATHS</b>												
Idaho (Thousands)	10.320	10.125	9.890	9.745	10.060	10.290	10.570	10.730	10.790	10.851	10.908	10.967
% Ch	-5.6%	-7.3%	-9.0%	-5.7%	13.6%	9.5%	11.3%	6.2%	2.3%	2.3%	2.1%	2.2%
National (Thousands)	2,499	2,504	2,510	2,515	2,520	2,525	2,531	2,536	2,540	2,545	2,550	2,556
% Ch	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	1.0%	0.8%	0.6%	0.8%	0.8%	0.9%
<b>NET MIGRATION</b>												
Idaho (Thousands)	12.872	12.920	13.206	13.055	17.546	22.265	27.152	30.313	28.468	26.019	22.493	21.064
<b>HOUSING</b>												
<b>HOUSING STARTS</b>												
Idaho	16,396	17,809	18,934	20,819	23,067	22,596	24,489	22,539	23,122	21,311	18,350	14,714
% Ch	-28.9%	39.2%	27.7%	46.2%	50.7%	-7.9%	38.0%	-28.2%	10.7%	-27.8%	-45.0%	-58.7%
National (Millions)	1.918	1.937	1.977	1.965	2.069	2.064	2.101	2.060	2.123	1.873	1.714	1.559
% Ch	-21.1%	4.0%	8.4%	-2.3%	22.7%	-1.0%	7.4%	-7.6%	12.9%	-39.5%	-29.8%	-31.7%
<b>SINGLE UNITS</b>												
Idaho	14,054	15,389	16,381	18,503	20,796	20,160	21,643	20,651	21,167	19,336	16,548	12,749
% Ch	-33.0%	43.8%	28.4%	62.8%	59.6%	-11.7%	32.8%	-17.1%	10.4%	-30.4%	-46.3%	-64.8%
National (Millions)	1.558	1.608	1.640	1.611	1.703	1.707	1.748	1.718	1.747	1.530	1.401	1.234
% Ch	-22.0%	13.6%	8.3%	-7.0%	25.1%	0.9%	9.9%	-6.6%	6.9%	-41.2%	-29.6%	-39.7%
<b>MULTIPLE UNITS</b>												
Idaho	2,342	2,420	2,553	2,316	2,272	2,436	2,846	1,888	1,955	1,976	1,802	1,965
% Ch	3.4%	14.0%	23.7%	-32.3%	-7.4%	32.2%	86.3%	-80.6%	14.8%	4.3%	-30.8%	41.4%
National (Millions)	0.361	0.329	0.337	0.355	0.365	0.357	0.353	0.342	0.376	0.343	0.313	0.324
% Ch	-17.4%	-30.5%	9.2%	23.2%	12.6%	-9.2%	-3.7%	-12.6%	46.7%	-30.7%	-30.4%	14.8%
<b>HOUSING STOCK</b>												
Idaho (Thousands)	466.5	470.6	475.0	479.9	485.3	490.6	496.3	501.6	507.0	511.9	516.1	519.4
% Ch	3.3%	3.6%	3.8%	4.1%	4.6%	4.4%	4.8%	4.3%	4.4%	4.0%	3.3%	2.6%



**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
APRIL 2007**

**DEMOGRAPHICS**

	Q1	2007 Q2	Q3	Q4	Q1	2008 Q2	Q3	Q4	Q1	2009 Q2	Q3	Q4
<b>POPULATION</b>												
Idaho (Thousands)	1,487.5	1,495.6	1,503.5	1,511.4	1,519.2	1,527.2	1,534.8	1,542.4	1,550.2	1,558.1	1,566.1	1,574.3
% Ch	2.5%	2.2%	2.1%	2.1%	2.1%	2.1%	2.0%	2.0%	2.0%	2.0%	2.1%	2.1%
National (Millions)	301.331	301.999	302.663	303.322	303.981	304.640	305.296	305.964	306.633	307.302	307.968	308.633
% Ch	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
<b>BIRTHS</b>												
Idaho (Thousands)	24.693	24.890	25.079	25.268	25.455	25.647	25.825	26.004	26.189	26.377	26.572	26.772
% Ch	3.8%	3.2%	3.1%	3.0%	3.0%	3.0%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%
National (Thousands)	4,017	4,027	4,038	4,049	4,060	4,071	4,083	4,094	4,106	4,117	4,129	4,140
% Ch	1.1%	1.0%	1.1%	1.1%	1.1%	1.1%	1.2%	1.1%	1.2%	1.1%	1.2%	1.1%
<b>DEATHS</b>												
Idaho (Thousands)	11.028	11.084	11.138	11.193	11.247	11.302	11.355	11.409	11.463	11.517	11.573	11.629
% Ch	2.2%	2.0%	2.0%	2.0%	2.0%	2.0%	1.9%	1.9%	1.9%	1.9%	1.9%	2.0%
National (Thousands)	2,561	2,566	2,571	2,576	2,582	2,587	2,592	2,598	2,603	2,608	2,614	2,619
% Ch	0.8%	0.8%	0.8%	0.8%	0.9%	0.8%	0.8%	0.9%	0.8%	0.8%	0.9%	0.8%
<b>NET MIGRATION</b>												
Idaho (Thousands)	21.141	20.121	19.540	18.775	17.516	17.224	16.823	16.466	16.269	16.055	16.331	16.713
<b>HOUSING</b>												
<b>HOUSING STARTS</b>												
Idaho	15,955	16,204	16,392	16,705	17,097	17,420	17,472	17,655	17,800	18,051	18,278	18,514
% Ch	38.3%	6.4%	4.7%	7.9%	9.7%	7.8%	1.2%	4.3%	3.3%	5.8%	5.1%	5.3%
National (Millions)	1.474	1.393	1.377	1.408	1.440	1.463	1.499	1.541	1.592	1.629	1.667	1.703
% Ch	-20.0%	-20.2%	-4.7%	9.5%	9.2%	6.8%	10.1%	11.7%	13.9%	9.6%	9.7%	8.9%
<b>SINGLE UNITS</b>												
Idaho	13,974	14,226	14,438	14,758	15,170	15,566	15,702	15,929	16,060	16,260	16,437	16,619
% Ch	44.4%	7.4%	6.1%	9.2%	11.6%	10.9%	3.5%	5.9%	3.3%	5.1%	4.4%	4.5%
National (Millions)	1.162	1.078	1.072	1.099	1.132	1.151	1.176	1.211	1.255	1.292	1.328	1.366
% Ch	-21.5%	-25.8%	-2.5%	10.4%	12.9%	6.8%	9.0%	12.4%	15.4%	12.2%	11.7%	11.8%
<b>MULTIPLE UNITS</b>												
Idaho	1,981	1,978	1,954	1,947	1,927	1,854	1,770	1,726	1,740	1,791	1,841	1,895
% Ch	3.3%	-0.6%	-4.7%	-1.4%	-4.1%	-14.2%	-16.9%	-9.6%	3.1%	12.5%	11.5%	12.4%
National (Millions)	0.312	0.315	0.305	0.310	0.307	0.312	0.323	0.330	0.337	0.337	0.339	0.338
% Ch	-14.0%	3.4%	-12.1%	6.4%	-3.2%	6.9%	14.0%	9.1%	8.7%	0.2%	2.5%	-1.8%
<b>HOUSING STOCK</b>												
Idaho (Thousands)	523.0	526.7	530.4	534.2	538.0	542.0	545.9	550.0	554.0	558.1	562.2	566.4
% Ch	2.8%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

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Forecast Begins the FIRST Quarter of 2007

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
APRIL 2007**

**OUTPUT, INCOME, & WAGES**

		2004				2005				2006			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
U.S. GROSS DOM. PRODUCT (Billions)													
Current Dollars	11,431	11,649	11,799	11,970	12,173	12,346	12,574	12,731	13,008	13,197	13,323	13,458	
% Ch	7.8%	7.9%	5.3%	5.9%	7.0%	5.8%	7.6%	5.1%	9.0%	5.9%	3.9%	4.1%	
2000 Chain-Weighted	10,566	10,672	10,753	10,823	10,914	11,002	11,115	11,164	11,316	11,388	11,444	11,513	
% Ch	3.8%	4.0%	3.1%	2.6%	3.4%	3.3%	4.2%	1.8%	5.6%	2.6%	2.0%	2.5%	
PERSONAL INCOME - CURR \$													
Idaho (Millions)	37,087	37,935	38,477	39,418	39,830	40,195	41,060	41,739	42,822	43,832	44,191	44,851	
% Ch	21.0%	9.5%	5.8%	10.1%	4.2%	3.7%	8.9%	6.8%	10.8%	9.8%	3.3%	6.1%	
Idaho Nonfarm (Millions)	35,901	36,700	37,377	38,362	38,727	39,302	40,164	40,877	41,962	43,003	43,252	43,835	
% Ch	14.8%	9.2%	7.6%	11.0%	3.9%	6.1%	9.1%	7.3%	11.0%	10.3%	2.3%	5.5%	
National (Billions)	9,498	9,641	9,768	10,019	10,049	10,162	10,263	10,484	10,721	10,807	10,939	11,066	
% Ch	6.9%	6.2%	5.4%	10.7%	1.2%	4.6%	4.0%	8.9%	9.4%	3.2%	5.0%	4.7%	
PERSONAL INCOME - 2000 \$													
Idaho (Millions)	34,595	35,075	35,411	36,006	36,179	36,231	36,639	36,979	37,747	38,257	38,347	39,012	
% Ch	16.7%	5.7%	3.9%	6.9%	1.9%	0.6%	4.6%	3.8%	8.6%	5.5%	0.9%	7.1%	
Idaho Nonfarm (Millions)	33,489	33,933	34,399	35,041	35,177	35,426	35,840	36,215	36,989	37,533	37,532	38,129	
% Ch	10.7%	5.4%	5.6%	7.7%	1.6%	2.9%	4.7%	4.3%	8.8%	6.0%	0.0%	6.5%	
National (Billions)	8,860	8,914	8,990	9,152	9,128	9,159	9,158	9,288	9,451	9,433	9,493	9,625	
% Ch	3.1%	2.5%	3.5%	7.4%	-1.1%	1.4%	-0.1%	5.8%	7.2%	-0.8%	2.6%	5.7%	
PER CAPITA PERS INC - CURR \$													
Idaho	26,851	27,339	27,595	28,139	28,224	28,257	28,629	28,906	29,477	29,987	30,062	30,335	
% Ch	18.7%	7.5%	3.8%	8.1%	1.2%	0.5%	5.4%	3.9%	8.2%	7.1%	1.0%	3.7%	
National	32,395	32,801	33,146	33,924	33,954	34,255	34,518	35,182	35,899	36,105	36,465	36,804	
% Ch	5.9%	5.1%	4.3%	9.7%	0.4%	3.6%	3.1%	7.9%	8.4%	2.3%	4.0%	3.8%	
PER CAPITA PERS INC - 2000 \$													
Idaho	25,047	25,278	25,397	25,703	25,637	25,471	25,547	25,609	25,984	26,173	26,086	26,386	
% Ch	14.5%	3.7%	1.9%	4.9%	-1.0%	-2.6%	1.2%	1.0%	6.0%	2.9%	-1.3%	4.7%	
National	30,219	30,328	30,505	30,988	30,842	30,877	30,802	31,169	31,644	31,513	31,643	32,013	
% Ch	2.2%	1.4%	2.4%	6.5%	-1.9%	0.5%	-1.0%	4.9%	6.2%	-1.6%	1.7%	4.8%	
AVERAGE ANNUAL WAGE													
Idaho	30,528	30,755	31,118	31,415	31,429	31,619	32,166	32,478	32,947	33,771	33,344	33,729	
% Ch	7.9%	3.0%	4.8%	3.9%	0.2%	2.4%	7.1%	3.9%	5.9%	10.4%	-5.0%	4.7%	
National	40,444	40,748	41,275	41,638	41,881	41,998	42,617	42,977	44,095	44,005	44,177	44,631	
% Ch	4.2%	3.0%	5.3%	3.6%	2.3%	1.1%	6.0%	3.4%	10.8%	-0.8%	1.6%	4.2%	

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
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**OUTPUT, INCOME, & WAGES**

	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>U.S. GROSS DOM. PRODUCT (Billions)</b>												
Current Dollars	13,644	13,781	13,926	14,077	14,242	14,412	14,597	14,775	14,974	15,173	15,378	15,576
% Ch	5.6%	4.1%	4.3%	4.4%	4.8%	4.8%	5.2%	5.0%	5.5%	5.4%	5.5%	5.3%
2000 Chain-Weighted	11,551	11,615	11,683	11,759	11,839	11,926	12,020	12,111	12,211	12,315	12,420	12,519
% Ch	1.3%	2.2%	2.4%	2.6%	2.7%	3.0%	3.2%	3.1%	3.3%	3.5%	3.4%	3.2%
<b>PERSONAL INCOME - CURR \$</b>												
Idaho (Millions)	45,716	46,418	46,960	47,558	48,331	49,071	49,767	50,527	51,308	52,199	53,065	54,016
% Ch	7.9%	6.3%	4.8%	5.2%	6.7%	6.3%	5.8%	6.3%	6.3%	7.1%	6.8%	7.4%
Idaho Nonfarm (Millions)	44,656	45,388	46,002	46,646	47,317	48,028	48,704	49,480	50,290	51,118	51,961	52,869
% Ch	7.7%	6.7%	5.5%	5.7%	5.9%	6.1%	5.8%	6.5%	6.7%	6.8%	6.8%	7.2%
National (Billions)	11,286	11,406	11,535	11,672	11,825	11,984	12,142	12,310	12,491	12,676	12,860	13,050
% Ch	8.2%	4.3%	4.6%	4.9%	5.3%	5.5%	5.4%	5.6%	6.0%	6.0%	5.9%	6.0%
<b>PERSONAL INCOME - 2000 \$</b>												
Idaho (Millions)	39,434	39,794	40,124	40,483	40,923	41,357	41,733	42,161	42,576	43,107	43,599	44,162
% Ch	4.4%	3.7%	3.4%	3.6%	4.4%	4.3%	3.7%	4.2%	4.0%	5.1%	4.6%	5.3%
Idaho Nonfarm (Millions)	38,520	38,911	39,306	39,707	40,065	40,478	40,842	41,288	41,731	42,214	42,691	43,225
% Ch	4.2%	4.1%	4.1%	4.1%	3.7%	4.2%	3.6%	4.4%	4.4%	4.7%	4.6%	5.1%
National (Billions)	9,735	9,778	9,856	9,936	10,013	10,100	10,182	10,272	10,366	10,468	10,566	10,670
% Ch	4.7%	1.8%	3.2%	3.3%	3.1%	3.5%	3.3%	3.6%	3.7%	4.0%	3.8%	4.0%
<b>PER CAPITA PERS INC - CURR \$</b>												
Idaho	30,734	31,036	31,234	31,466	31,813	32,132	32,426	32,758	33,097	33,502	33,883	34,311
% Ch	5.4%	4.0%	2.6%	3.0%	4.5%	4.1%	3.7%	4.2%	4.2%	5.0%	4.6%	5.1%
National	37,454	37,768	38,111	38,481	38,901	39,337	39,771	40,232	40,737	41,249	41,759	42,284
% Ch	7.3%	3.4%	3.7%	3.9%	4.4%	4.6%	4.5%	4.7%	5.1%	5.1%	5.0%	5.1%
<b>PER CAPITA PERS INC - 2000 \$</b>												
Idaho	26,510	26,607	26,687	26,785	26,937	27,080	27,191	27,334	27,465	27,667	27,839	28,052
% Ch	1.9%	1.5%	1.2%	1.5%	2.3%	2.1%	1.6%	2.1%	1.9%	3.0%	2.5%	3.1%
National	32,307	32,379	32,563	32,757	32,938	33,153	33,351	33,571	33,804	34,064	34,309	34,570
% Ch	3.7%	0.9%	2.3%	2.4%	2.2%	2.6%	2.4%	2.7%	2.8%	3.1%	2.9%	3.1%
<b>AVERAGE ANNUAL WAGE</b>												
Idaho	34,271	34,632	34,908	35,174	35,542	35,852	36,174	36,557	36,980	37,371	37,798	38,243
% Ch	6.6%	4.3%	3.2%	3.1%	4.3%	3.5%	3.6%	4.3%	4.7%	4.3%	4.6%	4.8%
National	45,429	45,650	46,050	46,425	46,864	47,266	47,686	48,116	48,585	49,039	49,532	50,023
% Ch	7.3%	2.0%	3.5%	3.3%	3.8%	3.5%	3.6%	3.7%	4.0%	3.8%	4.1%	4.0%

**IDAHO ECONOMIC FORECAST**  
**QUARTERLY DETAIL**  
**APRIL 2007**

**PERSONAL INCOME -- CURR \$\$**

		2004				2005				2006			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
WAGE AND SALARY PAYMENTS													
Idaho (Millions)	18,364	18,752	19,093	19,445	19,800	20,027	20,612	20,998	21,710	22,356	22,248	22,610	
% Ch	10.1%	8.7%	7.5%	7.6%	7.5%	4.7%	12.2%	7.7%	14.3%	12.4%	-1.9%	6.7%	
National (Billions)	5,280	5,350	5,433	5,506	5,556	5,601	5,715	5,787	5,970	5,981	6,028	6,112	
% Ch	5.4%	5.4%	6.4%	5.5%	3.7%	3.3%	8.4%	5.1%	13.3%	0.7%	3.2%	5.7%	
FARM PROPRIETORS INCOME													
Idaho (Millions)	791	822	673	617	579	363	363	329	323	288	393	465	
% Ch	5590.3%	16.6%	-55.1%	-29.4%	-22.5%	-84.6%	0.0%	-32.5%	-7.1%	-36.8%	246.7%	96.0%	
National (Billions)	38	40	33	34	34	29	30	29	24	18	22	27	
% Ch	88.9%	15.5%	-51.9%	18.1%	-4.6%	-48.6%	14.7%	-12.8%	-51.9%	-71.3%	136.4%	150.5%	
NONFARM PROPRIETORS INCOME													
Idaho (Millions)	3,629	3,758	3,842	3,911	4,068	4,163	4,295	4,316	4,441	4,467	4,461	4,471	
% Ch	17.9%	15.0%	9.2%	7.4%	17.1%	9.7%	13.3%	2.0%	12.1%	2.4%	-0.5%	0.9%	
National (Billions)	839	871	882	907	919	937	938	968	984	994	993	998	
% Ch	16.3%	15.7%	5.4%	11.9%	5.2%	8.2%	0.3%	13.6%	6.9%	4.1%	-0.4%	1.9%	
DIVIDENDS, RENT & INTEREST													
Idaho (Millions)	6,750	6,887	7,042	7,467	7,165	7,271	7,371	7,577	7,673	7,859	8,077	8,202	
% Ch	25.7%	8.4%	9.3%	26.4%	-15.2%	6.1%	5.6%	11.7%	5.2%	10.1%	11.6%	6.3%	
National (Billions)	1,506	1,522	1,528	1,663	1,583	1,603	1,521	1,662	1,679	1,719	1,762	1,775	
% Ch	4.3%	4.2%	1.7%	40.2%	-18.0%	5.3%	-19.0%	42.4%	4.3%	9.9%	10.3%	2.9%	
OTHER LABOR INCOME													
Idaho (Millions)	4,500	4,606	4,713	4,815	4,941	5,011	5,135	5,236	5,335	5,550	5,513	5,602	
% Ch	16.3%	9.8%	9.6%	8.9%	10.9%	5.8%	10.3%	8.1%	7.8%	17.1%	-2.6%	6.6%	
National (Billions)	846	858	872	888	910	925	942	956	972	986	1,000	1,014	
% Ch	5.6%	5.8%	6.4%	7.8%	10.0%	6.7%	7.7%	6.1%	6.6%	5.9%	6.0%	5.5%	
GOVT. TRANSFERS TO INDIV.													
Idaho (Millions)	5,494	5,581	5,632	5,730	5,929	6,040	6,042	6,092	6,288	6,374	6,503	6,564	
% Ch	13.4%	6.5%	3.7%	7.1%	14.6%	7.7%	0.1%	3.4%	13.5%	5.6%	8.3%	3.8%	
National (Billions)	1,399	1,417	1,442	1,448	1,487	1,510	1,569	1,540	1,570	1,590	1,619	1,630	
% Ch	9.6%	5.1%	7.2%	1.9%	11.2%	6.3%	16.5%	-7.2%	8.2%	5.0%	7.5%	2.8%	
CONTRIB. FOR SOCIAL INSUR.													
Idaho (Millions)	3,038	3,090	3,138	3,193	3,298	3,338	3,433	3,491	3,654	3,761	3,742	3,798	
% Ch	14.2%	7.0%	6.4%	7.2%	13.8%	4.9%	11.9%	6.9%	20.0%	12.2%	-2.0%	6.1%	
National (Billions)	399	404	410	415	424	428	436	441	459	459	462	467	
% Ch	11.0%	4.5%	6.0%	5.5%	8.7%	3.5%	8.2%	4.7%	16.7%	0.1%	2.3%	4.8%	
RESIDENCE ADJUSTMENT													
Idaho (Millions)	597	619	622	626	646	657	675	683	705	699	739	735	
% Ch	17.8%	15.6%	2.0%	2.6%	13.4%	7.0%	11.4%	4.8%	13.5%	-3.4%	24.9%	-2.1%	

**IDAHO ECONOMIC FORECAST**  
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**PERSONAL INCOME -- CURR \$\$**

	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>WAGE AND SALARY PAYMENTS</b>												
Idaho (Millions)	23,022	23,369	23,662	23,955	24,316	24,651	24,987	25,374	25,806	26,226	26,681	27,163
% Ch	7.5%	6.2%	5.1%	5.0%	6.2%	5.6%	5.6%	6.3%	7.0%	6.7%	7.1%	7.4%
National (Billions)	6,243	6,289	6,351	6,419	6,497	6,572	6,652	6,736	6,826	6,916	7,012	7,109
% Ch	8.8%	3.0%	4.0%	4.3%	5.0%	4.7%	5.0%	5.1%	5.5%	5.4%	5.7%	5.6%
<b>FARM PROPRIETORS INCOME</b>												
Idaho (Millions)	617	580	514	469	570	598	616	600	571	631	653	693
% Ch	209.4%	-21.7%	-38.4%	-30.4%	116.7%	21.6%	12.7%	-9.9%	-18.4%	48.9%	15.0%	26.8%
National (Billions)	31	29	25	22	20	21	21	20	21	23	23	25
% Ch	65.8%	-26.8%	-45.7%	-39.8%	-24.4%	16.6%	8.0%	-17.8%	5.8%	51.1%	10.3%	25.5%
<b>NONFARM PROPRIETORS INCOME</b>												
Idaho (Millions)	4,514	4,587	4,649	4,714	4,789	4,872	4,951	5,034	5,125	5,220	5,307	5,394
% Ch	3.9%	6.6%	5.5%	5.7%	6.5%	7.1%	6.6%	6.9%	7.4%	7.6%	6.8%	6.8%
National (Billions)	1,004	1,019	1,031	1,043	1,058	1,075	1,091	1,109	1,127	1,147	1,165	1,183
% Ch	2.4%	6.0%	4.8%	5.0%	5.9%	6.6%	6.1%	6.4%	7.0%	7.1%	6.4%	6.3%
<b>DIVIDENDS, RENT &amp; INTEREST</b>												
Idaho (Millions)	8,360	8,508	8,630	8,783	8,946	9,146	9,329	9,526	9,727	9,936	10,148	10,362
% Ch	7.9%	7.2%	5.9%	7.3%	7.7%	9.2%	8.2%	8.7%	8.7%	8.9%	8.8%	8.7%
National (Billions)	1,808	1,836	1,863	1,896	1,931	1,973	2,012	2,054	2,096	2,142	2,187	2,232
% Ch	7.6%	6.4%	6.1%	7.1%	7.7%	8.9%	8.2%	8.6%	8.5%	8.9%	8.7%	8.5%
<b>OTHER LABOR INCOME</b>												
Idaho (Millions)	5,730	5,830	5,872	5,912	5,950	5,987	6,011	6,062	6,120	6,183	6,241	6,317
% Ch	9.4%	7.2%	2.9%	2.8%	2.6%	2.5%	1.6%	3.4%	3.9%	4.2%	3.8%	5.0%
National (Billions)	1,028	1,041	1,050	1,059	1,065	1,071	1,077	1,084	1,094	1,104	1,114	1,125
% Ch	5.6%	5.4%	3.3%	3.6%	2.3%	2.5%	2.0%	3.0%	3.5%	3.9%	3.4%	4.1%
<b>GOVT. TRANSFERS TO INDIV.</b>												
Idaho (Millions)	6,689	6,785	6,895	6,988	7,127	7,224	7,320	7,417	7,565	7,665	7,759	7,859
% Ch	7.9%	5.8%	6.7%	5.5%	8.2%	5.6%	5.4%	5.4%	8.2%	5.4%	5.0%	5.3%
National (Billions)	1,679	1,701	1,728	1,749	1,781	1,803	1,825	1,847	1,881	1,904	1,925	1,947
% Ch	12.6%	5.4%	6.3%	5.0%	7.5%	5.0%	5.0%	5.0%	7.6%	4.9%	4.5%	4.7%
<b>CONTRIB. FOR SOCIAL INSUR.</b>												
Idaho (Millions)	3,960	3,989	4,014	4,017	4,127	4,172	4,217	4,262	4,387	4,446	4,514	4,571
% Ch	18.1%	3.1%	2.5%	0.4%	11.3%	4.4%	4.4%	4.3%	12.3%	5.5%	6.2%	5.2%
National (Billions)	479	481	485	487	499	503	507	511	524	529	535	539
% Ch	10.9%	1.9%	3.3%	1.6%	9.7%	3.4%	3.7%	3.0%	10.3%	4.0%	4.6%	3.2%
<b>RESIDENCE ADJUSTMENT</b>												
Idaho (Millions)	744	749	752	755	760	765	770	776	781	785	791	798
% Ch	4.8%	2.7%	1.7%	1.7%	2.9%	2.4%	2.4%	3.3%	2.6%	2.3%	2.9%	3.4%

**IDAHO ECONOMIC FORECAST**  
**QUARTERLY DETAIL**  
**APRIL 2007**

**EMPLOYMENT**

	2004				2005				2006			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>TOTAL NONFARM EMPLOYMENT</b>												
Idaho	579,004	586,860	590,550	595,800	603,560	607,169	615,004	621,066	633,781	637,529	642,218	645,583
% Ch	1.8%	5.5%	2.5%	3.6%	5.3%	2.4%	5.3%	4.0%	8.4%	2.4%	3.0%	2.1%
National (Thousands)	130,547	131,286	131,631	132,229	132,656	133,371	134,107	134,652	135,393	135,913	136,442	136,951
% Ch	1.2%	2.3%	1.1%	1.8%	1.3%	2.2%	2.2%	1.6%	2.2%	1.5%	1.6%	1.5%
<b>GOODS PRODUCING SECTOR</b>												
Idaho	103,214	105,215	105,708	107,648	110,122	110,869	112,815	115,552	120,390	122,443	122,980	123,307
% Ch	2.9%	8.0%	1.9%	7.5%	9.5%	2.7%	7.2%	10.1%	17.8%	7.0%	1.8%	1.1%
National (Thousands)	21,723	21,857	21,936	22,012	22,027	22,153	22,218	22,370	22,534	22,604	22,625	22,539
% Ch	0.7%	2.5%	1.5%	1.4%	0.3%	2.3%	1.2%	2.8%	3.0%	1.2%	0.4%	-1.5%
<b>MANUFACTURING</b>												
Idaho	63,058	63,779	63,612	64,272	64,756	64,739	65,027	65,643	66,824	67,687	68,199	68,263
% Ch	0.2%	4.7%	-1.0%	4.2%	3.0%	-0.1%	1.8%	3.8%	7.4%	5.3%	3.1%	0.4%
National (Thousands)	14,352	14,397	14,408	14,377	14,337	14,305	14,267	14,266	14,280	14,293	14,283	14,211
% Ch	-0.8%	1.3%	0.3%	-0.8%	-1.1%	-0.9%	-1.1%	0.0%	0.4%	0.4%	-0.3%	-2.0%
<b>DURABLE MANUFACTURING</b>												
Idaho	39,910	40,625	40,704	40,957	41,569	41,865	42,257	42,761	43,675	44,401	44,836	45,143
% Ch	2.6%	7.4%	0.8%	2.5%	6.1%	2.9%	3.8%	4.9%	8.8%	6.8%	4.0%	2.8%
National (Thousands)	8,933	8,986	9,020	9,028	9,024	9,020	9,008	9,031	9,055	9,090	9,085	9,044
% Ch	0.4%	2.4%	1.5%	0.3%	-0.2%	-0.2%	-0.5%	1.0%	1.1%	1.5%	-0.2%	-1.8%
<b>LOGGING &amp; WOOD PRODUCTS</b>												
Idaho	9,229	9,313	9,335	9,303	9,464	9,556	9,653	9,805	10,024	10,212	10,032	9,849
% Ch	6.1%	3.7%	1.0%	-1.4%	7.1%	4.0%	4.1%	6.4%	9.2%	7.7%	-6.8%	-7.1%
National (Thousands)	610	617	619	624	625	620	624	630	637	634	625	608
% Ch	0.8%	4.5%	1.3%	3.4%	0.4%	-2.8%	2.3%	4.3%	4.5%	-2.1%	-5.7%	-10.3%
<b>METAL FABRICATION</b>												
Idaho	3,575	3,644	3,686	3,639	3,777	3,809	3,927	4,110	4,237	4,271	4,368	4,521
% Ch	5.9%	7.9%	4.7%	-5.0%	16.0%	3.5%	13.0%	20.0%	12.9%	3.3%	9.4%	14.8%
National (Thousands)	1,478	1,495	1,504	1,510	1,514	1,520	1,524	1,530	1,541	1,551	1,563	1,564
% Ch	2.7%	4.6%	2.5%	1.6%	1.0%	1.7%	1.0%	1.6%	2.8%	2.6%	3.2%	0.2%
<b>MACHINERY</b>												
Idaho	2,546	2,570	2,578	2,587	2,595	2,570	2,603	2,660	2,785	2,842	2,873	2,948
% Ch	-5.5%	3.7%	1.3%	1.4%	1.2%	-3.8%	5.3%	9.0%	20.3%	8.3%	4.4%	10.9%
National (Thousands)	1,132	1,141	1,150	1,150	1,154	1,161	1,165	1,172	1,173	1,184	1,201	1,210
% Ch	0.0%	3.2%	3.3%	-0.1%	1.5%	2.6%	1.3%	2.2%	0.5%	3.9%	5.7%	3.0%
<b>COMPUTER &amp; ELECTRONICS</b>												
Idaho	16,125	16,418	16,253	16,346	16,322	16,331	16,098	15,976	16,399	16,495	16,732	17,056
% Ch	1.3%	7.5%	-4.0%	2.3%	-0.6%	0.2%	-5.6%	-3.0%	11.0%	2.4%	5.9%	8.0%
National (Thousands)	1,321	1,324	1,327	1,319	1,318	1,317	1,316	1,314	1,309	1,318	1,319	1,319
% Ch	-0.5%	0.9%	1.0%	-2.3%	-0.3%	-0.5%	-0.1%	-0.8%	-1.5%	3.0%	0.2%	0.0%
<b>OTHER DURABLES</b>												
Idaho	8,434	8,681	8,852	9,082	9,412	9,600	9,975	10,209	10,230	10,582	10,831	10,769
% Ch	2.5%	12.2%	8.1%	10.8%	15.4%	8.2%	16.6%	9.7%	0.8%	14.5%	9.7%	-2.3%
National (Thousands)	4,392	4,410	4,420	4,425	4,413	4,401	4,379	4,386	4,396	4,403	4,378	4,344
% Ch	-0.1%	1.7%	0.9%	0.4%	-1.1%	-1.1%	-2.0%	0.6%	0.9%	0.7%	-2.3%	-3.1%

National Variables Forecast by Global Insight  
Forecast Begins the FIRST Quarter of 2007

**IDAHO ECONOMIC FORECAST**  
**QUARTERLY DETAIL**  
**APRIL 2007**

**EMPLOYMENT**

	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>TOTAL NONFARM EMPLOYMENT</b>												
Idaho	648,793	651,758	655,094	658,457	661,475	665,045	668,418	672,057	675,880	679,966	684,256	688,844
% Ch	2.0%	1.8%	2.1%	2.1%	1.8%	2.2%	2.0%	2.2%	2.3%	2.4%	2.5%	2.7%
National (Thousands)	137,428	137,761	137,926	138,259	138,628	139,038	139,499	139,984	140,494	141,023	141,570	142,105
% Ch	1.4%	1.0%	0.5%	1.0%	1.1%	1.2%	1.3%	1.4%	1.5%	1.5%	1.6%	1.5%
<b>GOODS PRODUCING SECTOR</b>												
Idaho	122,218	120,549	119,635	118,975	118,366	118,302	118,362	118,458	118,775	119,058	119,346	119,570
% Ch	-3.5%	-5.4%	-3.0%	-2.2%	-2.0%	-0.2%	0.2%	0.3%	1.1%	1.0%	1.0%	0.8%
National (Thousands)	22,486	22,387	22,224	22,143	22,052	21,971	21,951	21,907	21,913	21,943	21,996	22,052
% Ch	-0.9%	-1.7%	-2.9%	-1.4%	-1.6%	-1.5%	-0.4%	-0.8%	0.1%	0.5%	1.0%	1.0%
<b>MANUFACTURING</b>												
Idaho	67,797	67,383	67,274	67,169	66,882	66,729	66,588	66,574	66,845	67,108	67,413	67,684
% Ch	-2.7%	-2.4%	-0.6%	-0.6%	-1.7%	-0.9%	-0.8%	-0.1%	1.6%	1.6%	1.8%	1.6%
National (Thousands)	14,181	14,158	14,077	14,031	13,973	13,915	13,884	13,860	13,845	13,837	13,832	13,836
% Ch	-0.8%	-0.7%	-2.3%	-1.3%	-1.7%	-1.7%	-0.9%	-0.7%	-0.4%	-0.2%	-0.2%	0.1%
<b>DURABLE MANUFACTURING</b>												
Idaho	44,669	44,265	44,177	44,086	43,783	43,594	43,402	43,323	43,514	43,716	43,969	44,197
% Ch	-4.1%	-3.6%	-0.8%	-0.8%	-2.7%	-1.7%	-1.8%	-0.7%	1.8%	1.9%	2.3%	2.1%
National (Thousands)	9,013	9,004	8,946	8,919	8,887	8,845	8,834	8,825	8,824	8,831	8,837	8,848
% Ch	-1.4%	-0.4%	-2.6%	-1.2%	-1.4%	-1.9%	-0.5%	-0.4%	0.0%	0.3%	0.3%	0.5%
<b>LOGGING &amp; WOOD PRODUCTS</b>												
Idaho	9,502	9,331	9,222	9,129	9,031	8,930	8,871	8,835	8,903	9,004	9,092	9,155
% Ch	-13.4%	-7.0%	-4.6%	-4.0%	-4.2%	-4.4%	-2.6%	-1.6%	3.1%	4.6%	4.0%	2.8%
National (Thousands)	602	595	588	581	577	571	566	565	567	572	578	583
% Ch	-3.7%	-5.0%	-4.6%	-4.4%	-3.1%	-4.0%	-3.2%	-1.0%	1.9%	3.7%	3.7%	3.5%
<b>METAL FABRICATION</b>												
Idaho	4,495	4,490	4,507	4,528	4,552	4,579	4,604	4,630	4,654	4,671	4,683	4,691
% Ch	-2.3%	-0.5%	1.5%	1.9%	2.2%	2.3%	2.3%	2.3%	2.1%	1.5%	1.0%	0.7%
National (Thousands)	1,565	1,567	1,568	1,569	1,570	1,569	1,574	1,577	1,581	1,584	1,586	1,589
% Ch	0.2%	0.6%	0.3%	0.2%	0.4%	-0.3%	1.3%	0.8%	0.9%	0.9%	0.4%	0.7%
<b>MACHINERY</b>												
Idaho	2,879	2,861	2,839	2,817	2,793	2,772	2,754	2,743	2,741	2,746	2,755	2,748
% Ch	-9.0%	-2.5%	-3.0%	-3.1%	-3.5%	-2.9%	-2.6%	-1.5%	-0.4%	0.7%	1.4%	-1.0%
National (Thousands)	1,218	1,226	1,228	1,229	1,219	1,207	1,201	1,196	1,194	1,194	1,195	1,191
% Ch	2.9%	2.5%	0.8%	0.3%	-3.4%	-3.9%	-1.9%	-1.5%	-0.8%	0.0%	0.2%	-1.3%
<b>COMPUTER &amp; ELECTRONICS</b>												
Idaho	17,063	16,885	16,875	16,820	16,566	16,407	16,189	16,037	16,038	16,016	16,059	16,124
% Ch	0.2%	-4.1%	-0.2%	-1.3%	-5.9%	-3.8%	-5.2%	-3.7%	0.0%	-0.6%	1.1%	1.6%
National (Thousands)	1,318	1,324	1,291	1,279	1,269	1,262	1,256	1,248	1,241	1,233	1,228	1,226
% Ch	-0.2%	1.8%	-9.7%	-3.7%	-2.9%	-2.3%	-1.9%	-2.7%	-2.1%	-2.4%	-1.9%	-0.7%
<b>OTHER DURABLES</b>												
Idaho	10,729	10,699	10,735	10,792	10,840	10,905	10,983	11,078	11,178	11,279	11,380	11,478
% Ch	-1.5%	-1.1%	1.3%	2.2%	1.8%	2.4%	2.9%	3.5%	3.7%	3.7%	3.6%	3.5%
National (Thousands)	4,309	4,293	4,271	4,262	4,252	4,236	4,237	4,239	4,241	4,247	4,251	4,261
% Ch	-3.1%	-1.5%	-2.0%	-0.9%	-0.9%	-1.5%	0.1%	0.2%	0.2%	0.6%	0.4%	0.9%

**IDAHO ECONOMIC FORECAST**  
**QUARTERLY DETAIL**  
**APRIL 2007**

**EMPLOYMENT**

**MANUFACTURING (continued)**

	2004				2005				2006			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>NONDURABLE MANUFACTURING</b>												
Idaho	23,148	23,154	22,909	23,315	23,187	22,874	22,770	22,883	23,150	23,286	23,363	23,120
% Ch	-3.8%	0.1%	-4.2%	7.3%	-2.2%	-5.3%	-1.8%	2.0%	4.7%	2.4%	1.3%	-4.1%
National (Thousands)	5,420	5,411	5,387	5,349	5,313	5,286	5,259	5,235	5,225	5,203	5,197	5,167
% Ch	-2.7%	-0.6%	-1.7%	-2.8%	-2.7%	-2.1%	-2.0%	-1.8%	-0.8%	-1.6%	-0.5%	-2.3%
<b>FOOD PROCESSING</b>												
Idaho	15,145	15,064	14,732	15,057	14,930	14,712	14,600	14,611	14,825	14,784	14,815	14,500
% Ch	-9.8%	-2.1%	-8.5%	9.1%	-3.3%	-5.7%	-3.0%	0.3%	6.0%	-1.1%	0.8%	-8.2%
National (Thousands)	1,499	1,497	1,495	1,487	1,483	1,479	1,477	1,475	1,479	1,483	1,489	1,488
% Ch	-3.2%	-0.3%	-0.6%	-2.2%	-1.0%	-1.3%	-0.5%	-0.6%	1.2%	1.2%	1.4%	-0.1%
<b>PRINTING</b>												
Idaho	1,911	1,912	1,942	1,921	1,911	1,893	1,895	1,899	1,877	1,909	1,917	1,905
% Ch	-3.6%	0.2%	6.6%	-4.4%	-2.0%	-3.7%	0.4%	0.9%	-4.7%	7.2%	1.7%	-2.6%
National (Thousands)	668	665	661	656	652	649	644	641	638	636	633	636
% Ch	-3.2%	-1.5%	-2.3%	-3.2%	-2.6%	-1.9%	-2.7%	-1.8%	-1.7%	-1.7%	-1.4%	1.4%
<b>CHEMICALS</b>												
Idaho	1,837	1,877	1,896	1,902	1,942	1,922	1,945	1,940	2,096	2,102	2,132	2,137
% Ch	3.2%	9.2%	3.9%	1.3%	8.7%	-4.1%	4.9%	-0.9%	36.1%	1.3%	5.8%	0.9%
National (Thousands)	890	890	886	882	877	875	870	867	866	866	871	871
% Ch	-1.5%	0.3%	-2.0%	-1.5%	-2.5%	-0.7%	-2.5%	-1.4%	-0.2%	-0.3%	2.6%	0.1%
<b>OTHER NONDURABLES</b>												
Idaho	4,255	4,301	4,339	4,436	4,403	4,348	4,330	4,432	4,352	4,490	4,499	4,578
% Ch	18.0%	4.4%	3.6%	9.2%	-2.9%	-5.0%	-1.6%	9.8%	-7.0%	13.3%	0.9%	7.2%
National (Thousands)	2,364	2,358	2,345	2,324	2,301	2,283	2,269	2,253	2,241	2,219	2,204	2,171
% Ch	-2.6%	-1.0%	-2.2%	-3.6%	-3.8%	-3.1%	-2.5%	-2.8%	-2.0%	-4.0%	-2.6%	-5.8%
<b>MINING</b>												
Idaho	1,819	1,929	1,975	2,002	2,039	2,129	2,216	2,259	2,373	2,398	2,343	2,371
% Ch	5.6%	26.5%	10.0%	5.5%	7.5%	18.9%	17.4%	7.9%	21.8%	4.3%	-8.8%	4.8%
National (Thousands)	511	521	528	531	544	557	565	582	596	614	627	637
% Ch	4.6%	7.7%	5.7%	2.5%	9.6%	10.3%	5.9%	12.0%	10.3%	12.8%	8.6%	6.6%
<b>CONSTRUCTION</b>												
Idaho	38,338	39,506	40,120	41,374	43,328	44,001	45,573	47,650	51,193	52,358	52,438	52,674
% Ch	7.5%	12.8%	6.4%	13.1%	20.3%	6.4%	15.1%	19.5%	33.2%	9.4%	0.6%	1.8%
National (Thousands)	6,860	6,938	7,001	7,104	7,146	7,290	7,385	7,522	7,658	7,696	7,716	7,691
% Ch	3.6%	4.7%	3.6%	6.0%	2.4%	8.3%	5.3%	7.6%	7.4%	2.0%	1.0%	-1.3%
<b>NONGOODS PRODUCING</b>												
Idaho	475,790	481,646	484,842	488,152	493,438	496,300	502,189	505,514	513,391	515,086	519,238	522,275
% Ch	1.6%	5.0%	2.7%	2.8%	4.4%	2.3%	4.8%	2.7%	6.4%	1.3%	3.3%	2.4%
National (Thousands)	108,823	109,430	109,695	110,217	110,630	111,218	111,889	112,282	112,859	113,310	113,817	114,412
% Ch	1.3%	2.2%	1.0%	1.9%	1.5%	2.1%	2.4%	1.4%	2.1%	1.6%	1.8%	2.1%
<b>SERVICES</b>												
Idaho	264,639	268,429	270,217	272,785	276,835	278,693	282,389	285,055	288,945	291,607	294,658	295,613
% Ch	2.9%	5.9%	2.7%	3.9%	6.1%	2.7%	5.4%	3.8%	5.6%	3.7%	4.3%	1.3%
National (Thousands)	66,669	67,120	67,318	67,696	68,004	68,425	68,916	69,276	69,772	70,168	70,579	71,052
% Ch	1.5%	2.7%	1.2%	2.3%	1.8%	2.5%	2.9%	2.1%	2.9%	2.3%	2.4%	2.7%
<b>INFORMATION</b>												
Idaho	9,400	9,710	10,215	10,411	10,894	11,033	11,029	11,325	10,492	10,601	10,647	10,649
% Ch	6.6%	13.8%	22.5%	7.9%	19.9%	5.2%	-0.1%	11.2%	-26.3%	4.2%	1.7%	0.1%
National (Thousands)	3,141	3,135	3,107	3,086	3,066	3,064	3,059	3,053	3,056	3,051	3,049	3,061
% Ch	-1.3%	-0.8%	-3.5%	-2.6%	-2.7%	-0.2%	-0.6%	-0.9%	0.4%	-0.7%	-0.3%	1.7%
<b>FINANCIAL ACTIVITIES</b>												
Idaho	27,463	27,806	27,971	28,509	28,845	29,205	29,957	30,605	31,297	31,723	31,948	31,987
% Ch	3.3%	5.1%	2.4%	7.9%	4.8%	5.1%	10.7%	8.9%	9.4%	5.5%	2.9%	0.5%
National (Thousands)	7,989	8,028	8,040	8,065	8,095	8,109	8,169	8,238	8,294	8,347	8,385	8,425
% Ch	0.0%	1.9%	0.6%	1.2%	1.5%	0.7%	3.0%	3.5%	2.7%	2.5%	1.8%	1.9%

National Variables Forecast by Global Insight  
Forecast Begins the FIRST Quarter of 2007



**IDAHO ECONOMIC FORECAST**  
**QUARTERLY DETAIL**  
**APRIL 2007**

**EMPLOYMENT**

**MANUFACTURING (continued)**

	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>NONDURABLE MANUFACTURING</b>												
Idaho	23,128	23,117	23,097	23,083	23,099	23,135	23,187	23,251	23,331	23,392	23,444	23,487
% Ch	0.1%	-0.2%	-0.3%	-0.2%	0.3%	0.6%	0.9%	1.1%	1.4%	1.0%	0.9%	0.7%
National (Thousands)	5,169	5,154	5,131	5,112	5,086	5,070	5,050	5,036	5,021	5,006	4,995	4,988
% Ch	0.2%	-1.1%	-1.8%	-1.5%	-2.0%	-1.2%	-1.6%	-1.1%	-1.2%	-1.2%	-0.9%	-0.5%
<b>FOOD PROCESSING</b>												
Idaho	14,531	14,582	14,607	14,630	14,619	14,623	14,651	14,698	14,763	14,817	14,863	14,902
% Ch	0.9%	1.4%	0.7%	0.6%	-0.3%	0.1%	0.8%	1.3%	1.8%	1.5%	1.2%	1.1%
National (Thousands)	1,495	1,495	1,494	1,495	1,493	1,497	1,501	1,507	1,509	1,510	1,512	1,516
% Ch	1.8%	0.1%	-0.4%	0.3%	-0.6%	1.1%	1.2%	1.6%	0.5%	0.3%	0.6%	1.1%
<b>PRINTING</b>												
Idaho	1,894	1,879	1,870	1,852	1,837	1,827	1,817	1,810	1,806	1,800	1,793	1,786
% Ch	-2.1%	-3.2%	-1.9%	-3.7%	-3.2%	-2.2%	-2.3%	-1.4%	-0.9%	-1.3%	-1.5%	-1.5%
National (Thousands)	634	636	635	634	632	630	627	624	621	619	616	615
% Ch	-1.1%	1.3%	-0.4%	-0.9%	-1.0%	-1.3%	-2.2%	-1.8%	-1.7%	-1.5%	-1.7%	-1.2%
<b>CHEMICALS</b>												
Idaho	2,110	2,060	2,008	1,968	1,986	2,004	2,013	2,010	1,999	1,984	1,966	1,947
% Ch	-5.0%	-9.2%	-9.7%	-7.7%	3.7%	3.7%	1.7%	-0.5%	-2.2%	-2.9%	-3.5%	-3.8%
National (Thousands)	871	868	863	861	858	854	849	847	846	845	844	844
% Ch	-0.2%	-1.3%	-2.1%	-1.1%	-1.4%	-1.9%	-2.3%	-0.9%	-0.6%	-0.5%	-0.3%	0.0%
<b>OTHER NONDURABLES</b>												
Idaho	4,593	4,597	4,612	4,632	4,657	4,681	4,707	4,733	4,763	4,791	4,822	4,852
% Ch	1.3%	0.3%	1.3%	1.8%	2.2%	2.0%	2.3%	2.2%	2.6%	2.4%	2.6%	2.5%
National (Thousands)	2,169	2,155	2,138	2,122	2,103	2,089	2,072	2,058	2,045	2,032	2,022	2,013
% Ch	-0.4%	-2.6%	-3.0%	-3.0%	-3.6%	-2.6%	-3.1%	-2.9%	-2.4%	-2.5%	-2.0%	-1.7%
<b>MINING</b>												
Idaho	2,337	2,291	2,253	2,253	2,246	2,230	2,206	2,176	2,145	2,113	2,080	2,041
% Ch	-5.5%	-7.7%	-6.5%	0.0%	-1.3%	-2.9%	-4.1%	-5.4%	-5.6%	-5.8%	-6.1%	-7.2%
National (Thousands)	643	640	633	629	627	623	619	614	608	602	596	590
% Ch	4.0%	-2.1%	-4.5%	-2.4%	-0.9%	-2.7%	-2.5%	-3.0%	-4.0%	-3.7%	-3.9%	-4.2%
<b>CONSTRUCTION</b>												
Idaho	52,084	50,875	50,108	49,553	49,238	49,344	49,567	49,708	49,785	49,837	49,853	49,844
% Ch	-4.4%	-9.0%	-5.9%	-4.4%	-2.5%	0.9%	1.8%	1.1%	0.6%	0.4%	0.1%	-0.1%
National (Thousands)	7,661	7,589	7,514	7,483	7,451	7,433	7,448	7,433	7,460	7,503	7,568	7,625
% Ch	-1.6%	-3.7%	-3.9%	-1.7%	-1.7%	-1.0%	0.8%	-0.8%	1.5%	2.3%	3.5%	3.1%
<b>NONGOODS PRODUCING</b>												
Idaho	526,575	531,209	535,459	539,482	543,109	546,743	550,056	553,599	557,105	560,909	564,910	569,275
% Ch	3.3%	3.6%	3.2%	3.0%	2.7%	2.7%	2.4%	2.6%	2.6%	2.8%	2.9%	3.1%
National (Thousands)	114,942	115,374	115,703	116,116	116,577	117,067	117,548	118,077	118,581	119,080	119,574	120,054
% Ch	1.9%	1.5%	1.1%	1.4%	1.6%	1.7%	1.7%	1.8%	1.7%	1.7%	1.7%	1.6%
<b>SERVICES</b>												
Idaho	298,230	301,180	303,993	306,751	309,122	311,651	313,967	316,480	318,914	321,484	324,088	326,893
% Ch	3.6%	4.0%	3.8%	3.7%	3.1%	3.3%	3.0%	3.2%	3.1%	3.3%	3.3%	3.5%
National (Thousands)	71,471	71,829	72,096	72,362	72,679	73,064	73,441	73,845	74,272	74,660	75,036	75,379
% Ch	2.4%	2.0%	1.5%	1.5%	1.8%	2.1%	2.1%	2.2%	2.3%	2.1%	2.0%	1.8%
<b>INFORMATION</b>												
Idaho	10,622	10,615	10,639	10,671	10,724	10,782	10,843	10,907	10,972	11,040	11,111	11,183
% Ch	-1.0%	-0.3%	0.9%	1.2%	2.0%	2.2%	2.3%	2.4%	2.4%	2.5%	2.6%	2.6%
National (Thousands)	3,083	3,083	3,059	3,018	3,012	3,030	3,042	3,055	3,064	3,072	3,077	3,079
% Ch	2.9%	0.1%	-3.1%	-5.3%	-0.8%	2.4%	1.7%	1.7%	1.1%	1.0%	0.7%	0.3%
<b>FINANCIAL ACTIVITIES</b>												
Idaho	32,239	32,498	32,760	33,029	33,307	33,592	33,877	34,167	34,460	34,758	35,061	35,369
% Ch	3.2%	3.2%	3.3%	3.3%	3.4%	3.5%	3.4%	3.5%	3.5%	3.5%	3.5%	3.6%
National (Thousands)	8,453	8,487	8,480	8,463	8,467	8,469	8,484	8,497	8,522	8,536	8,571	8,604
% Ch	1.3%	1.6%	-0.4%	-0.8%	0.2%	0.1%	0.7%	0.6%	1.2%	0.6%	1.6%	1.5%

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**IDAHO ECONOMIC FORECAST  
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**EMPLOYMENT**

**SERVICES (Continued)**

	2004				2005				2006			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>TRANS., WAREHOUSING, UTILITIES</b>												
Idaho	18,915	19,062	18,880	18,923	18,968	19,124	19,467	19,611	19,976	20,209	20,271	20,434
% Ch	3.7%	3.1%	-3.8%	0.9%	0.9%	3.3%	7.4%	3.0%	7.6%	4.8%	1.2%	3.3%
National (Thousands)	4,778	4,798	4,825	4,844	4,879	4,908	4,928	4,948	4,976	5,000	5,024	5,055
% Ch	1.8%	1.7%	2.3%	1.6%	2.9%	2.4%	1.7%	1.6%	2.3%	1.9%	1.9%	2.5%
<b>PROFESSIONAL &amp; BUSINESS</b>												
Idaho	71,294	72,942	73,767	74,584	75,720	76,374	77,489	78,055	80,760	81,422	81,658	81,698
% Ch	2.8%	7.3%	3.0%	4.5%	6.2%	3.5%	6.0%	3.0%	14.6%	3.3%	1.2%	0.2%
National (Thousands)	16,163	16,357	16,439	16,587	16,697	16,839	17,033	17,217	17,378	17,499	17,615	17,727
% Ch	1.4%	4.9%	2.0%	3.7%	2.7%	3.4%	4.7%	4.4%	3.8%	2.8%	2.7%	2.6%
<b>EDUCATION &amp; HEALTH</b>												
Idaho	63,946	65,075	65,564	66,273	67,420	67,782	68,265	68,478	68,769	69,345	71,301	71,280
% Ch	2.8%	7.3%	3.0%	4.4%	7.1%	2.2%	2.9%	1.3%	1.7%	3.4%	11.8%	-0.1%
National (Thousands)	16,804	16,913	16,983	17,109	17,188	17,306	17,452	17,540	17,665	17,771	17,889	18,019
% Ch	2.1%	2.6%	1.7%	3.0%	1.9%	2.8%	3.4%	2.0%	2.9%	2.4%	2.7%	2.9%
<b>LEISURE &amp; HOSPITALITY</b>												
Idaho	55,500	55,508	55,491	55,781	56,645	56,783	57,658	58,341	58,900	59,334	59,647	60,446
% Ch	3.8%	0.1%	-0.1%	2.1%	6.3%	1.0%	6.3%	4.8%	3.9%	3.0%	2.1%	5.5%
National (Thousands)	12,386	12,471	12,513	12,608	12,691	12,806	12,873	12,887	12,984	13,072	13,184	13,318
% Ch	3.3%	2.8%	1.4%	3.1%	2.7%	3.7%	2.1%	0.4%	3.0%	2.7%	3.5%	4.1%
<b>OTHER SERVICES</b>												
Idaho	18,121	18,326	18,329	18,303	18,344	18,391	18,523	18,640	18,752	18,973	19,186	19,120
% Ch	-3.8%	4.6%	0.1%	-0.6%	0.9%	1.0%	2.9%	2.5%	2.4%	4.8%	4.6%	-1.4%
National (Thousands)	5,408	5,420	5,411	5,397	5,388	5,393	5,403	5,394	5,418	5,429	5,433	5,447
% Ch	0.2%	0.9%	-0.6%	-1.0%	-0.7%	0.3%	0.8%	-0.7%	1.8%	0.8%	0.3%	1.0%
<b>TRADE</b>												
Idaho	97,778	98,986	99,487	100,254	101,880	102,832	104,598	105,376	106,366	106,847	107,974	109,095
% Ch	1.1%	5.0%	2.0%	3.1%	6.6%	3.8%	7.0%	3.0%	3.8%	1.8%	4.3%	4.2%
National (Thousands)	20,602	20,711	20,747	20,823	20,887	21,012	21,123	21,150	21,213	21,199	21,208	21,253
% Ch	1.4%	2.1%	0.7%	1.5%	1.2%	2.4%	2.1%	0.5%	1.2%	-0.3%	0.2%	0.9%
<b>RETAIL TRADE</b>												
Idaho	72,870	73,811	73,701	74,495	75,509	76,230	77,445	77,991	79,578	79,924	81,001	81,997
% Ch	-1.1%	5.3%	-0.6%	4.4%	5.6%	3.9%	6.5%	2.8%	8.4%	1.7%	5.5%	5.0%
National (Thousands)	14,978	15,059	15,073	15,124	15,174	15,265	15,345	15,339	15,359	15,312	15,298	15,316
% Ch	1.2%	2.2%	0.4%	1.4%	1.3%	2.4%	2.1%	-0.1%	0.5%	-1.2%	-0.4%	0.5%
<b>WHOLESALE TRADE</b>												
Idaho	24,909	25,175	25,786	25,760	26,371	26,602	27,153	27,386	26,788	26,923	26,973	27,098
% Ch	8.1%	4.3%	10.1%	-0.4%	9.8%	3.6%	8.5%	3.5%	-8.4%	2.0%	0.7%	1.9%
National (Thousands)	5,624	5,652	5,674	5,698	5,713	5,747	5,779	5,811	5,854	5,888	5,910	5,936
% Ch	2.0%	2.0%	1.5%	1.7%	1.0%	2.4%	2.2%	2.2%	3.0%	2.3%	1.5%	1.8%
<b>STATE &amp; LOCAL GOVERNMENT</b>												
Idaho	100,140	100,919	101,677	101,876	101,504	101,633	102,306	102,029	105,076	103,872	103,767	104,680
% Ch	-0.5%	3.1%	3.0%	0.8%	-1.5%	0.5%	2.7%	-1.1%	12.5%	-4.5%	-0.4%	3.6%
National (Thousands)	18,823	18,863	18,901	18,969	19,011	19,049	19,117	19,119	19,144	19,212	19,297	19,388
% Ch	0.4%	0.8%	0.8%	1.4%	0.9%	0.8%	1.4%	0.0%	0.5%	1.4%	1.8%	1.9%
<b>EDUCATION</b>												
Idaho	50,228	50,664	51,230	51,157	51,113	51,261	51,697	51,150	53,682	52,447	53,635	54,235
% Ch	-3.2%	3.5%	4.5%	-0.6%	-0.3%	1.2%	3.4%	-4.2%	21.3%	-8.9%	9.4%	4.5%
<b>NONEDUCATION</b>												
Idaho	49,912	50,255	50,447	50,719	50,391	50,372	50,610	50,879	51,394	51,425	50,132	50,445
% Ch	2.2%	2.8%	1.5%	2.2%	-2.6%	-0.1%	1.9%	2.1%	4.1%	0.2%	-9.7%	2.5%
<b>FEDERAL GOVERNMENT</b>												
Idaho	13,233	13,312	13,461	13,236	13,219	13,143	12,895	13,054	13,004	12,760	12,840	12,888
% Ch	-4.0%	2.4%	4.5%	-6.5%	-0.5%	-2.3%	-7.3%	5.0%	-1.5%	-7.3%	2.5%	1.5%
National (Thousands)	2,729	2,736	2,729	2,729	2,728	2,732	2,732	2,737	2,729	2,731	2,733	2,719
% Ch	-0.8%	0.9%	-1.0%	0.0%	-0.1%	0.6%	0.0%	0.7%	-1.2%	0.3%	0.2%	-2.0%

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**EMPLOYMENT**

SERVICES (Continued)	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>TRANS., WAREHOUSING, UTILITIES</b>												
Idaho	20,518	20,668	20,727	20,779	20,811	20,820	20,794	20,789	20,778	20,784	20,812	20,858
% Ch	1.7%	3.0%	1.1%	1.0%	0.6%	0.2%	-0.5%	-0.1%	-0.2%	0.1%	0.5%	0.9%
National (Thousands)	5,074	5,090	5,116	5,147	5,182	5,213	5,252	5,285	5,321	5,361	5,406	5,447
% Ch	1.6%	1.2%	2.0%	2.5%	2.8%	2.4%	3.1%	2.5%	2.7%	3.0%	3.4%	3.0%
<b>PROFESSIONAL &amp; BUSINESS</b>												
Idaho	82,724	83,754	84,734	85,698	86,596	87,577	88,470	89,425	90,299	91,211	92,096	93,052
% Ch	5.1%	5.1%	4.8%	4.6%	4.3%	4.6%	4.1%	4.4%	4.0%	4.1%	3.9%	4.2%
National (Thousands)	17,852	17,964	18,138	18,288	18,435	18,614	18,860	19,070	19,286	19,521	19,750	19,928
% Ch	2.9%	2.5%	3.9%	3.3%	3.3%	3.9%	5.4%	4.5%	4.6%	5.0%	4.8%	3.6%
<b>EDUCATION &amp; HEALTH</b>												
Idaho	71,891	72,460	72,981	73,483	73,944	74,480	74,967	75,547	76,103	76,711	77,321	78,010
% Ch	3.5%	3.2%	2.9%	2.8%	2.5%	2.9%	2.6%	3.1%	3.0%	3.2%	3.2%	3.6%
National (Thousands)	18,132	18,229	18,299	18,355	18,391	18,466	18,573	18,654	18,729	18,799	18,852	18,880
% Ch	2.5%	2.2%	1.5%	1.2%	0.8%	1.6%	2.3%	1.8%	1.6%	1.5%	1.1%	0.6%
<b>LEISURE &amp; HOSPITALITY</b>												
Idaho	60,925	61,694	62,435	63,177	63,639	64,114	64,546	64,984	65,438	65,903	66,386	66,890
% Ch	3.2%	5.1%	4.9%	4.8%	3.0%	3.0%	2.7%	2.7%	2.8%	2.9%	3.0%	3.1%
National (Thousands)	13,427	13,496	13,493	13,581	13,693	13,776	13,738	13,803	13,877	13,907	13,916	13,981
% Ch	3.3%	2.1%	-0.1%	2.6%	3.4%	2.5%	-1.1%	1.9%	2.2%	0.9%	0.3%	1.9%
<b>OTHER SERVICES</b>												
Idaho	19,310	19,492	19,718	19,915	20,102	20,286	20,469	20,661	20,865	21,076	21,299	21,532
% Ch	4.0%	3.8%	4.7%	4.1%	3.8%	3.7%	3.6%	3.8%	4.0%	4.1%	4.3%	4.4%
National (Thousands)	5,450	5,479	5,511	5,510	5,499	5,496	5,492	5,480	5,473	5,465	5,464	5,461
% Ch	0.2%	2.2%	2.3%	-0.1%	-0.7%	-0.2%	-0.3%	-0.8%	-0.6%	-0.5%	-0.1%	-0.2%
<b>TRADE</b>												
Idaho	110,387	111,643	112,827	113,818	114,726	115,593	116,413	117,316	118,199	119,153	120,201	121,325
% Ch	4.8%	4.6%	4.3%	3.6%	3.2%	3.1%	2.9%	3.1%	3.0%	3.3%	3.6%	3.8%
National (Thousands)	21,313	21,345	21,327	21,413	21,533	21,611	21,678	21,761	21,795	21,856	21,901	21,952
% Ch	1.1%	0.6%	-0.3%	1.6%	2.3%	1.4%	1.3%	1.5%	0.6%	1.1%	0.8%	0.9%
<b>RETAIL TRADE</b>												
Idaho	83,004	83,906	84,830	85,568	86,242	86,902	87,547	88,256	88,950	89,698	90,518	91,396
% Ch	5.0%	4.4%	4.5%	3.5%	3.2%	3.1%	3.0%	3.3%	3.2%	3.4%	3.7%	3.9%
National (Thousands)	15,359	15,394	15,374	15,447	15,553	15,619	15,664	15,735	15,754	15,796	15,808	15,835
% Ch	1.1%	0.9%	-0.5%	1.9%	2.8%	1.7%	1.1%	1.8%	0.5%	1.1%	0.3%	0.7%
<b>WHOLESALE TRADE</b>												
Idaho	27,383	27,737	27,997	28,250	28,483	28,692	28,866	29,060	29,249	29,455	29,683	29,929
% Ch	4.3%	5.3%	3.8%	3.7%	3.3%	3.0%	2.4%	2.7%	2.6%	2.8%	3.1%	3.4%
National (Thousands)	5,955	5,951	5,953	5,967	5,981	5,991	6,015	6,026	6,041	6,060	6,093	6,117
% Ch	1.2%	-0.3%	0.2%	0.9%	1.0%	0.7%	1.6%	0.7%	1.0%	1.3%	2.2%	1.6%
<b>STATE &amp; LOCAL GOVERNMENT</b>												
Idaho	105,044	105,457	105,617	105,847	106,173	106,402	106,605	106,784	107,024	107,315	107,607	107,912
% Ch	1.4%	1.6%	0.6%	0.9%	1.2%	0.9%	0.8%	0.7%	0.9%	1.1%	1.1%	1.1%
National (Thousands)	19,437	19,479	19,542	19,598	19,618	19,647	19,690	19,742	19,797	19,850	19,914	19,978
% Ch	1.0%	0.9%	1.3%	1.1%	0.4%	0.6%	0.9%	1.1%	1.1%	1.1%	1.3%	1.3%
<b>EDUCATION</b>												
Idaho	54,509	54,809	54,911	55,056	55,326	55,511	55,651	55,796	55,995	56,229	56,449	56,666
% Ch	2.0%	2.2%	0.8%	1.1%	2.0%	1.3%	1.0%	1.0%	1.4%	1.7%	1.6%	1.5%
<b>NONEDUCATION</b>												
Idaho	50,535	50,648	50,706	50,790	50,847	50,891	50,954	50,988	51,029	51,086	51,158	51,246
% Ch	0.7%	0.9%	0.5%	0.7%	0.4%	0.3%	0.5%	0.3%	0.3%	0.4%	0.6%	0.7%
<b>FEDERAL GOVERNMENT</b>												
Idaho	12,914	12,929	13,022	13,067	13,088	13,097	13,072	13,020	12,968	12,956	13,014	13,145
% Ch	0.8%	0.5%	2.9%	1.4%	0.6%	0.3%	-0.8%	-1.6%	-1.6%	-0.4%	1.8%	4.1%
National (Thousands)	2,720	2,721	2,737	2,743	2,745	2,745	2,739	2,729	2,718	2,714	2,723	2,745
% Ch	0.2%	0.1%	2.3%	1.0%	0.3%	0.0%	-0.9%	-1.6%	-1.6%	-0.5%	1.3%	3.3%

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**MISCELLANEOUS**

	Q1	2004 Q2	Q3	Q4	Q1	2005 Q2	Q3	Q4	Q1	2006 Q2	Q3	Q4
<b>SELECTED CHAIN-WEIGHTED DEFL.</b>												
<b>Gross Domestic Product</b>	108.190	109.172	109.744	110.610	111.558	112.229	113.139	114.048	114.967	115.905	116.446	116.930
% Ch	3.7%	3.7%	2.1%	3.2%	3.5%	2.4%	3.3%	3.3%	3.3%	3.3%	1.9%	1.7%
<b>Consumption Expenditures</b>	107.202	108.155	108.658	109.476	110.091	110.940	112.066	112.873	113.445	114.573	115.241	114.966
% Ch	3.7%	3.6%	1.9%	3.0%	2.3%	3.1%	4.1%	2.9%	2.0%	4.0%	2.4%	-1.0%
<b>Durable Goods</b>	91.043	91.105	90.581	90.649	90.709	90.570	89.908	89.605	89.385	89.206	88.967	88.366
% Ch	0.0%	0.3%	-2.3%	0.3%	0.3%	-0.6%	-2.9%	-1.3%	-1.0%	-0.8%	-1.1%	-2.7%
<b>Nondurable Goods</b>	106.014	107.561	107.865	109.030	109.325	110.604	113.016	113.177	113.484	115.769	116.442	114.141
% Ch	5.7%	6.0%	1.1%	4.4%	1.1%	4.8%	9.0%	0.6%	1.1%	8.3%	2.3%	-7.7%
<b>Services</b>	111.573	112.444	113.303	114.133	115.049	115.929	116.858	118.281	119.194	120.059	120.960	121.824
% Ch	3.5%	3.2%	3.1%	3.0%	3.2%	3.1%	3.2%	5.0%	3.1%	2.9%	3.0%	2.9%
<b>Consumer Price Index</b>	1.865	1.885	1.895	1.911	1.921	1.940	1.966	1.983	1.992	2.017	2.032	2.022
% Ch	3.5%	4.2%	2.1%	3.6%	2.1%	3.9%	5.6%	3.4%	1.9%	5.0%	3.1%	-2.1%
<b>SELECTED INTEREST RATES</b>												
<b>Federal Funds</b>	1.0%	1.0%	1.4%	2.0%	2.5%	2.9%	3.5%	4.0%	4.5%	4.9%	5.2%	5.2%
<b>NY Fed Discount</b>	2.0%	2.0%	2.4%	2.9%	3.4%	3.9%	4.4%	5.0%	5.4%	5.9%	6.3%	6.3%
<b>Prime</b>	4.0%	4.0%	4.4%	4.9%	5.4%	5.9%	6.4%	7.0%	7.4%	7.9%	8.3%	8.3%
<b>Existing Home Mortgage</b>	5.6%	5.7%	5.8%	5.7%	5.8%	5.8%	5.8%	6.2%	6.4%	6.6%	6.8%	6.5%
<b>U.S. Govt. 3-Month Bills</b>	0.9%	1.1%	1.5%	2.0%	2.5%	2.9%	3.4%	3.8%	4.4%	4.7%	4.9%	4.9%
<b>U.S. Govt. 6-Month Bills</b>	1.0%	1.3%	1.7%	2.2%	2.8%	3.1%	3.6%	4.1%	4.5%	4.8%	5.0%	4.9%
<b>U.S. Govt. 5-Year Notes</b>	3.0%	3.7%	3.5%	3.5%	3.9%	3.9%	4.0%	4.4%	4.5%	5.0%	4.8%	4.6%
<b>U.S. Govt. 10-Year Notes</b>	4.0%	4.6%	4.3%	4.2%	4.3%	4.2%	4.2%	4.5%	4.6%	5.1%	4.9%	4.6%
<b>SELECTED US PRODUCTION INDICES</b>												
<b>Wood Products</b>	103.3	104.5	104.9	105.4	108.5	108.9	110.5	116.5	113.8	110.6	107.1	99.4
% Ch	-1.2%	4.9%	1.3%	2.1%	12.1%	1.7%	5.8%	23.5%	-8.9%	-10.8%	-11.8%	-25.9%
<b>Computers &amp; Electronic Products</b>	123.1	125.1	127.8	128.8	131.9	137.0	142.6	152.4	156.5	166.3	174.3	180.4
% Ch	23.1%	6.7%	8.8%	3.3%	9.8%	16.4%	17.6%	30.5%	11.2%	27.4%	20.6%	14.8%
<b>Food</b>	100.2	101.0	101.6	101.7	103.6	104.2	104.5	105.7	106.6	107.0	107.5	109.7
% Ch	-1.4%	3.0%	2.4%	0.6%	7.6%	2.2%	1.4%	4.5%	3.6%	1.3%	2.0%	8.5%
<b>Agricultural Chemicals</b>	108.1	108.0	110.1	112.6	115.7	115.5	118.4	113.0	115.6	120.0	121.1	109.9
% Ch	11.6%	-0.4%	8.0%	9.7%	11.5%	-0.8%	10.2%	-17.0%	9.5%	16.1%	3.7%	-32.1%
<b>Metal Ore Mining</b>	91.3	92.3	94.1	98.2	100.6	103.2	103.1	100.1	102.7	103.7	101.4	104.5
% Ch	5.0%	4.6%	8.1%	18.2%	10.3%	11.0%	-0.4%	-11.4%	11.1%	3.7%	-8.5%	12.7%

**IDAHO ECONOMIC FORECAST  
QUARTERLY DETAIL  
APRIL 2007**

**MISCELLANEOUS**

	Q1	2007				Q1	2008				Q1	2009			
		Q2	Q3	Q4			Q2	Q3	Q4			Q2	Q3	Q4	
<b>SELECTED CHAIN-WEIGHTED DEFL.</b>															
<b>Gross Domestic Product</b>	118.118	118.654	119.202	119.708	120.303	120.847	121.437	121.994	122.626	123.205	123.819	124.427			
% Ch	4.1%	1.8%	1.9%	1.7%	2.0%	1.8%	2.0%	1.8%	2.1%	1.9%	2.0%	2.0%			
<b>Consumption Expenditures</b>	115.931	116.646	117.037	117.476	118.101	118.653	119.252	119.843	120.509	121.091	121.713	122.312			
% Ch	3.4%	2.5%	1.3%	1.5%	2.1%	1.9%	2.0%	2.0%	2.2%	1.9%	2.1%	2.0%			
<b>Durable Goods</b>	87.999	87.575	87.352	87.218	87.136	87.039	86.954	86.874	86.820	86.789	86.758	86.677			
% Ch	-1.7%	-1.9%	-1.0%	-0.6%	-0.4%	-0.4%	-0.4%	-0.4%	-0.2%	-0.1%	-0.1%	-0.4%			
<b>Nondurable Goods</b>	115.548	116.631	116.417	116.487	117.045	117.431	117.873	118.327	119.023	119.492	120.024	120.556			
% Ch	5.0%	3.8%	-0.7%	0.2%	1.9%	1.3%	1.5%	1.5%	2.4%	1.6%	1.8%	1.8%			
<b>Services</b>	122.907	123.731	124.599	125.380	126.225	127.032	127.892	128.729	129.570	130.374	131.215	132.030			
% Ch	3.6%	2.7%	2.8%	2.5%	2.7%	2.6%	2.7%	2.6%	2.6%	2.5%	2.6%	2.5%			
<b>Consumer Price Index</b>	2.042	2.056	2.063	2.070	2.082	2.092	2.103	2.113	2.125	2.135	2.146	2.156			
% Ch	4.1%	2.8%	1.2%	1.5%	2.3%	1.9%	2.0%	2.0%	2.3%	1.8%	2.0%	2.0%			

**SELECTED INTEREST RATES**

<b>Federal Funds</b>	5.3%	5.3%	5.1%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%			
<b>NY Fed Discount</b>	6.3%	6.3%	6.1%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%			
<b>Prime</b>	8.3%	8.3%	8.1%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%			
<b>Existing Home Mortgage</b>	6.4%	6.4%	6.5%	6.5%	6.6%	6.7%	6.9%	6.9%	7.0%	7.0%	7.0%	7.0%			
<b>U.S. Govt. 3-Month Bills</b>	5.0%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%			
<b>U.S. Govt. 6-Month Bills</b>	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	5.0%	5.0%	5.0%	5.0%			
<b>U.S. Govt. 5-Year Notes</b>	4.6%	4.6%	4.7%	4.7%	4.8%	4.9%	5.0%	5.1%	5.2%	5.2%	5.2%	5.3%			
<b>U.S. Govt. 10-Year Notes</b>	4.7%	4.7%	4.7%	4.8%	4.8%	5.0%	5.1%	5.2%	5.3%	5.3%	5.3%	5.4%			

**SELECTED US PRODUCTION INDICES**

<b>Wood Products</b>	97.0	96.0	95.5	94.9	94.4	93.9	93.7	94.2	95.7	96.9	98.0	98.9			
% Ch	-9.2%	-4.0%	-2.4%	-2.3%	-2.2%	-2.0%	-1.0%	2.3%	6.3%	5.3%	4.6%	3.7%			
<b>Computers &amp; Electronic Products</b>	185.8	190.3	195.7	201.3	206.6	212.0	217.4	223.0	228.8	234.6	240.6	247.0			
% Ch	12.7%	10.0%	11.7%	12.1%	10.9%	10.8%	10.6%	10.7%	10.8%	10.5%	10.8%	11.0%			
<b>Food</b>	110.3	110.6	111.0	111.3	111.8	112.3	112.9	113.5	114.2	114.8	115.4	116.1			
% Ch	2.0%	1.2%	1.3%	1.4%	1.5%	1.9%	2.2%	2.2%	2.3%	2.3%	2.2%	2.2%			
<b>Agricultural Chemicals</b>	106.7	110.8	114.8	118.1	120.0	121.6	122.9	124.1	125.1	126.0	126.9	127.6			
% Ch	-11.0%	16.0%	15.5%	12.0%	6.6%	5.4%	4.3%	4.0%	3.1%	3.0%	2.8%	2.3%			
<b>Metal Ore Mining</b>	107.8	108.4	109.0	109.6	110.1	110.7	111.1	111.6	112.0	112.4	112.8	113.2			
% Ch	13.3%	2.5%	2.2%	2.1%	1.9%	1.9%	1.7%	1.6%	1.5%	1.5%	1.4%	1.3%			

## **APPENDIX**

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## THE GLOBAL INSIGHT U.S. MACROECONOMIC MODEL

Global Insight's Macroeconomic Model is a multiple-equation model of the U.S. economy. Consisting of over 1,200 equations, the model is solved iteratively to generate the results of different policy and forecast scenarios. The model incorporates the best insights of many theoretical schools of thought to depict the economic decision processes and interactions of households, businesses, and governments.

The Global Insight model is divided into the following eight major sectors:

- I Private Domestic Spending**
- II Production and Income**
- III Taxes**
- IV International Transactions**
- V Financial**
- VI Inflation**
- VII Supply**
- VIII Expectations**

- I. **Private Domestic Spending.** Major aggregate demand components include consumption, investment, and government. Consumer purchases are divided among three categories: durable goods, nondurable goods, and services. In nearly all cases, real expenditures are influenced by real income and the relative price of consumer goods. Durable and semidurable goods are also sensitive to household net worth, current finance costs, and consumer sentiment.

Global Insight divides investment into two general categories: fixed investment and inventories. The former is driven by utilization rates, capital stock, relative prices, financial market conditions, financial balance sheet conditions, and government policies. Inventory investment is heavily influenced by such factors as past and present sales levels, vendor performance, and utilization rates.

The government sector is divided into federal government and state and local government. Most of the federal expenditure side is exogenous. Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes, and contributions for social insurance. State and local sector receipts depend primarily on federal grants and various tax rates and bases. State and local government spending is driven by legal requirements (i.e., balanced budgets), the level of federal grants (due to the matching requirements of many programs), population growth, and trend increases in personal income.

- II. **Production and Income.** The industrial production sector includes 74 standard industrial classifications. Production is a function of various cyclical and trend variables and a generated output term, i.e., the input-output (I-O) relationship between the producing industry and both intermediate industries and final demand. The cyclical and trend variables correct for changes in I-O coefficients that are implied by the changing relationship between buyers and sellers.

Pre-tax income categories include private and government wages, corporate profits, interest rate, and entrepreneurial returns. Each of these categories, except corporate profits, is determined by some combination of wages, prices, interest rates, debt levels, capacity utilization rate, and unemployment rate. Corporate profits are calculated as the residual of total national income less the nonprofit components of income mentioned above.

- III. **Taxes.** The model tracks personal, corporate, payroll, and excise taxes separately. Tax revenues are simultaneously forecast as the product of the rate and the associated pre-tax income components. The model automatically adjusts the effective average personal tax rate for variations in inflation and income per household, and the effective average corporate rate for credits earned on equipment, utility structures, and R&D. State taxes are fully endogenous, except for corporate profits and social insurance tax rates.
- IV. **International.** The international sector can either add or divert strength from the central flow of domestic income and spending. Imports' ability to capture varying shares of domestic demand depends on the prices of foreign output, the U.S. exchange rate, and competing domestic prices. Exports' portion of domestic spending depends on similar variables and the level of world gross domestic product. The exchange rate itself responds to international differences in inflation, interest rates, trade deficits, and capital flows between the U.S. and its competitors. Investment income flows are also explicitly modeled.
- V. **Financial.** The Global Insight model includes a highly detailed financial sector. Several short- and long-term interest rates are covered in this model, and they are the key output of this sector. The short-term rates depend upon the balance between the demand and supply of reserves in the banking system. The supply of reserves is the primary exogenous monetary policy lever within the model, reflecting the Federal Reserve's open market purchases or sales of Treasury securities. Longer-term interest rates are driven by shorter-term rates as well as factors affecting the slope of the yield curve. These factors include inflation expectations, government borrowing requirements, and corporate finance needs.
- VI. **Inflation.** Inflation is modeled as a controlled, interactive process involving wages, prices, and market conditions. The principal domestic cost influences are labor compensation, nonfarm productivity, and foreign input costs that later are driven by the exchange rate, the price of oil, and foreign wholesale price inflation. This set of cost influences drives each of the industry-specific producer price indexes, in combination with a demand pressure indicator and appropriately weighted composites of the other producer price indexes.
- VII. **Supply.** In this model, aggregate supply (or potential GNP), is estimated by a Cobb-Douglas production function that combines factor input growth and improvements to total factor productivity. Factor input equals a weighted average of labor, business fixed capital, and energy. Factor supplies are defined by estimates of the full employment labor force, the full employment capital stock net of pollution abatement equipment, the domestic production of petroleum and natural gas, and the stock of infrastructure. Total factor productivity depends upon the stock of research and development capital and trend technological change.
- VIII. **Expectations.** Expectations impact several expenditure categories in the model, but the principal nuance relates to the entire spectrum of interest rates. Shifts in price expectations or the expected government capital needs influences are captured directly in this model through price expectations and budget deficit terms. The former impacts all interest rates and the latter impacts intermediate- and long-term rates. On the expenditure side, inflationary expectations impact consumption via consumer sentiment, while growth expectations affect business investment.



## THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations, which are estimated using quarterly data. The primary exogenous variables are obtained from the Global Insight U.S. Macroeconomic Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

**personal income = wage and salary payments + other labor  
income + farm proprietors' income + nonfarm proprietors'  
income + property income + transfer payments - contributions  
for social insurance + residence adjustment.**

With the exception of farm proprietors' income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietors' income and wage and salary payments each comprise submodels containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly-aggregated submodel consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes, imputed rent income, corporate farm income, and government payments to farmers. Farm proprietors' income includes inventory changes and imputed rent, but this component is netted out of the tax base.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 23 North American Industry Classification System employment categories. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables. Domestic employment equations are specified primarily as functions of state-specific demand variables. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments.

The demographic component of the model is used to forecast components of population change and housing starts. Resident population, births, and deaths are modeled stochastically. Net migration is calculated residually from the estimates for those variables. Housing starts are divided into single and multiple units. Each equation is functionally related to economic and population variables.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period. The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares. Model equations are occasionally respecified in response to the dynamic nature of the Idaho and national economies. Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of

endogenous variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned above, the forecast period values of exogenous variables are primarily obtained from Global Insight's U.S. macroeconomic model.

Since the output of the IEM depends in large part upon the output of the Global Insight model, an understanding of the Global Insight model, its input assumptions, and its output is useful in evaluating the results of the IEM's forecast. The assumptions and output of the Global Insight model are discussed in the National Forecast section.

# IDAHO ECONOMIC MODEL

$$EEA\_ID = EEA\_ID\_GOODS + EEA\_ID\_NONGOODS$$

$$EEA\_ID\_2100 = 3668.828 + 34.859*ID0IP2122\_2123 - 3419.780*(JULCNF/WPI10) - 17.357*TREND$$

$$EEA\_ID\_2300 = 16027.584 + 424.975*ID0HSPRS1\_A + 364.264*ID0HSPRS1\_A(-1) + 303.554*ID0HSPRS1\_A(-2) \\ + 242.843*ID0HSPRS1\_A(-3) + 182.132*ID0HSPRS1\_A(-4) + 121.421*ID0HSPRS1\_A(-5) \\ + 60.711*ID0HSPRS1\_A(-6)$$

$$EEA\_ID\_3110 = 19673.150 + 224.653*MOVAV(IPSG311,4) - 306.175*MOVAV(IPSG311/EMN311,4) - \\ 45.495*TREND$$

$$EEA\_ID\_3230 = 2198.371 + 17.984*MOVAV(IPSG323,4) - 13.960*MOVAV((IPSG323/EMN323),8)$$

$$EEA\_ID\_3250 = 2372.281 + 15.982*MOVAV(IPSG3253(-1),4) - 1972.467*DUM951ON$$

$$EEA\_ID\_3320 = -1583.336 + 51.725*MOVAV(IPSG332,2)$$

$$EEA\_ID\_3330 = 1175.655 + 28.588*IPSG333 - 10.898*TREND$$

$$EEA\_ID\_3340 = 12511.226 + 152.754*MOVAV(IPSG3341,4) + 12.867*DUM911011*MOVAV(IPSG3341,4) \\ - 167.437*MOVAV((IPSG3341/EMD334),8)$$

$$EEA\_ID\_4200 = 6190.712 + 0.309*EEA\_ID\_44\_45 - 25.326*TREND$$

$$EEA\_ID\_44\_45 = 35099.331 + 290.126*MOVAV((YPADJ\_ID/JPC),4) - 417.251*TREND$$

$$EEA\_ID\_48\_49\_22 = -6521.975 + 0.980*EEA\_ID\_4200 + 1.084*MOVAV(ID0KHU,4)$$

$$EEA\_ID\_5100 = -4902.892 + 39.825*MOVAV(IPSG51111,4) + 78.450*TREND$$

$$EEA\_ID\_52\_53 = -9143.662 - 5668.533*DUM981ON + 2065.506*(DUM9801004*MOVAV(SP500/SP500(-2),2) \\ + 91.084*ID0KHU)$$

$$EEA\_ID\_54\_55\_56 = -36375.826 + 146.711*YPADJ\_ID/JPC + 209.771*MOVAV(RADR,8)$$

$$EEA\_ID\_61\_62 = -44541.096 + 52283.499*ID0NPT + 102.042*YPADJ\_ID/JPC$$

$$EEA\_ID\_71\_72 = -48456.406 + 125084.929*ID0NPT - 494.622*TREND$$

$$EEA\_ID\_8100 = 3215.379 + 45.383*MOVAV((YPADJ\_ID/JPC),4) + 1254.517*DUM931964 - \\ 1208.890*DUM061ON$$

$$EEA\_ID\_DMANU = EEA\_ID\_WOOD + EEA\_ID\_3320 + EEA\_ID\_3330 + EEA\_ID\_3340 + EEA\_ID\_MFDNEC$$

$$EEA\_ID\_GOODS = EEA\_ID\_MANU + EEA\_ID\_2300 + EEA\_ID\_2100$$

$$EEA\_ID\_GV = EEA\_ID\_GVSL + EEA\_ID\_GVF$$

$$EEA\_ID\_GVF = -579.687 + 1071705.989*EG91*(ID0NPT/N)$$

$$EEA\_ID\_GVSL = EEA\_ID\_GVSLAD + EEA\_ID\_GVSLED$$

$$EEA\_ID\_GVSLAD = -614.947 + 28230.644*ID0NPT + 0.437*MOVAV(ID0YPTXB(-4),4)$$

$$EEA\_ID\_GVSLED = 10257.202 + 44744.554*ID0NPT*((N-N16A)/N) + 0.603*MOVAV(ID0YPTXB(-4),2) + 76.294*TREND$$

$$EEA\_ID\_MANU = EEA\_ID\_DMANU + EEA\_ID\_NMANU$$

$$EEA\_ID\_MFDNEC = -2863.896 + 117.932*MOVAV(ID0IPMFDNEC,2)$$

$$EEA\_ID\_MFNNEC = 976.030 + 1.597*(CNCSR+CNOOR) + 22.737*MOVAV(IPSG322,2)$$

$$EEA\_ID\_NMANU = EEA\_ID\_3110 + EEA\_ID\_3230 + EEA\_ID\_3250 + EEA\_ID\_MFNNEC$$

$$EEA\_ID\_NONGOODS = EEA\_ID\_SV + EEA\_ID\_4200 + EEA\_ID\_44_45 + EEA\_ID\_GV$$

$$EEA\_ID\_SV = EEA\_ID\_48_49_22 + EEA\_ID\_5100 + EEA\_ID\_52_53 + EEA\_ID\_54_55_56 + EEA\_ID\_61_62 + EEA\_ID\_71_72 + EEA\_ID\_8100$$

$$EEA\_ID\_WOOD = 17192.510 + 134.665*MOVAV(IPSG321,2) - 7044.284*(JULCNF/WPI08) - 44.622*IPSG321/EMD321 - 62.176*TREND$$

$$ID0AHEMF = -5.182 + 16.251*(EEA\_ID\_DMANU(-1)/EEA\_ID\_MANU(-1)*JULCNF) + 16.927*(EEA\_ID\_NMANU(-1)/EEA\_ID\_MANU(-1)*JULCNF)$$

$$ID0CRCROP = 10919.520 + 0.013*CRCROP + 406788.073*WPI01$$

$$ID0CRLVSTK = -242868.924 + 0.017*(CRCATCVS+CRDAIRY) + 9180.576*TREND$$

$$ID0EXFP = -51876.456 + 1033426.648*WPI01 + 19693.521*TREND$$

$$ID0HSPR = ID0HSPRS1\_A + ID0HSPRS2A\_A$$

$$\begin{aligned} \text{ID0HSPRS1\_A} &= -39.154 - 0.780 * (\text{RMMTGEXIST} - \text{MOVAV}(\text{RMMTGEXIST}(-1),4)) \\ &+ 121.679 * (\text{MOVAV}(\text{ID0NPT}(-1),4) - \text{MOVAV}(\text{ID0NPT}(-5),4)) + 0.326 * \text{ID0KHU}(-1) - 0.503 * \text{TREND} \end{aligned}$$

$$\begin{aligned} \text{ID0HSPRS2A\_A} &= 5.471 + 35.938 * (\text{MOVAV}(\text{ID0NPT}(-1),4) - \text{MOVAV}(\text{ID0NPT}(-5),4)) \\ &- 0.238 * \text{MOVAV}(\text{RMMTGEXIST},4) - 0.003 * \text{TREND} * \text{RMMTGEXIST} \end{aligned}$$

$$\text{ID0KHU} = \text{ID0KHU1} + \text{ID0KHU2A}$$

$$\text{ID0KHU1} = ((0.997)^{0.25}) * \text{ID0KHU1}(-1) + \text{ID0HSPRS1\_A}/4$$

$$\text{ID0KHU2A} = ((0.997)^{0.25}) * \text{ID0KHU2A}(-1) + \text{ID0HSPRS2A\_A}/4$$

$$\text{ID0NB} = -10.307 + 38.828 * \text{ID0NPT} - 0.157 * \text{TREND}$$

$$\text{ID0ND} = 0.910 + 5.752 * \text{ID0NPT} + 0.009 * \text{TREND}$$

$$\text{ID0NMG} = (\text{ID0NPT} - \text{ID0NPT}(-4)) - (\text{ID0NB} - \text{ID0ND})/1000$$

$$\text{ID0NPT} = 0.432 + 0.0000007 * \text{MOVAV}(\text{EEA\_ID},4) + 0.004 * \text{TREND}$$

$$\text{ID0WBB\$} = \text{ID0WBBMF\$} + \text{ID0WBBOTH\$} + \text{ID0WBBCC\$} + \text{ID0WBBF\$} + \text{ID0WBBMIL\$}$$

$$\text{ID0WBBCC\$} = (\text{ID0WRWCC\$} * \text{EEA\_ID\_2300})/1000000$$

$$\text{ID0WBBF\$} = -120.362 + 310.874 * \text{WPI02}$$

$$\text{ID0WBBMF\$} = (\text{ID0WRWMF\$} * \text{EEA\_ID\_MANU})/1000000$$

$$\text{ID0WBBMIL\$} = 6.122 + 302.684 * (\text{ID0NPT}/N) * \text{GFMLCWSS}$$

$$\text{ID0WBBOTH\$} = \text{ID0WRWOTH\$} * (\text{EEA\_ID} - \text{EEA\_ID\_2300} - \text{EEA\_ID\_MANU})/1000000$$

$$\text{ID0WRWCC\$} = 2611.879 + 2035.239 * \text{ID0AHEMF}$$

$$\text{ID0WRWMF\$} = -3266.566 + 3073.920 * \text{ID0AHEMF}$$

$$\text{ID0WRWOTH\$} = -11500.767 + 2766.567 * \text{ID0AHEMF}$$

$$\text{ID0YDIR\$} = -150.824 + 1.107 * (\text{YPAIN} + \text{ZADIV} + \text{YPRENTADJ}) * \text{MOVAV}(\text{ID0YP\$}(-1),4) / \text{MOVAV}(\text{YP}(-1),4)$$

$$\text{ID0YFC\$} = -23654.048 + 0.930 * \text{ID0YFC\$}(-1) + 35818.348 * \text{WPI01}$$

$$\text{ID0YINV\_R\$} = -34431.500 + 0.818 * \text{ID0YINV\_R\$}(-1) + 65808.355 * \text{WPI01}$$

$$ID0YP = ID0YP\$/JPC*100$$

$$ID0YP\$ = ID0WBB\$ + ID0YSUP\$ + ID0YDIR\$ + ID0YPRNF\$ + ID0YPRF\$ + ID0YTR\$ + ID0YRA\$ - ID0YSIS$$

$$ID0YP\$PC = ID0YP\$/ID0NPT$$

$$ID0YPNF = ID0YPNF\$/JPC*100$$

$$ID0YPNF\$ = ID0YP\$ - ID0YPRF\$ - ID0WBBF\$$$

$$ID0YPNFPC = ID0YPNF\$/JPC*100/ID0NPT$$

$$ID0YPPC = ID0YP/ID0NPT$$

$$ID0YPRF\$ = 141.549 + 0.167*((ID0CRCROP+ID0CRLVSTK+ID0YTRF\$+ID0YINV\_R\$-ID0YFC\$-ID0EXFP)/1000) + 2.882*TREND$$

$$ID0YPRNF\$ = 66.965 + 4.299*YPPROPADJNF$$

$$ID0YPTXB = (ID0WBB\$ + ID0YPRNF\$ + ID0YDIR\$ + (ID0YPRF\$ - ID0YINV\_R\$/1000))/JPC*100$$

$$ID0YRA\$ = -85.200 + 0.035*ID0WBB\$$$

$$ID0YSIS\$ = -31.834 + 2.290*TXSIEC*ID0WBB\$/YPCOMPWSD$$

$$ID0YSUP\$ = 42.241 + 1.575*YPCOMPSUPPAI*ID0WBB\$/YPCOMPWSD$$

$$ID0YTR\$ = -6.260 + 841.744*(YPTRFGF+YPTRFGSL)*(ID0NPT/N)$$

$$ID0YTRF\$ = 19018.071 + 0.011*TRF\$$$

$$IDWAGE = (ID0WBB\$ - ID0WBBF\$ - ID0WBBMIL\$/EEA\_ID * 1000000$$

$$YPADJ\_ID = ID0YPNF\$ + MOVAV(ID0YPRF\$,4) + MOVAV(ID0WBBF\$,4)$$

## ENDOGENOUS VARIABLES

EEA_ID	Employment on nonagricultural payrolls, total
EEA_ID_2100	Employment in mining
EEA_ID_2300	Employment in construction
EEA_ID_3110	Employment in food processing
EEA_ID_3230	Employment in printing
EEA_ID_3250	Employment in chemicals
EEA_ID_3320	Employment in fabricated metal products
EEA_ID_3330	Employment in machinery
EEA_ID_3340	Employment in computers and electronic products
EEA_ID_4200	Employment in wholesale trade
EEA_ID_44_45	Employment in retail trade
EEA_ID_48_49_22	Employment transportation, warehousing, and utilities
EEA_ID_5100	Employment in information
EEA_ID_52_53	Employment in finance, insurance, and real estate
EEA_ID_54_55_56	Employment in professional, scientific, and technical services
EEA_ID_61_62	Employment in health care and educational services
EEA_ID_71_72	Employment in leisure and hospitality
EEA_ID_8100	Employment in other services
EEA_ID_DMANU	Employment in durable goods manufacturing
EEA_ID_GOODS	Employment in goods producing
EEA_ID_GV	Employment in government
EEA_ID_GVF	Employment in federal government
EEA_ID_GVSL	Employment in state and local government
EEA_ID_GVSLAD	Employment in state and local government, administration
EEA_ID_GVSLED	Employment in state and local government, education
EEA_ID_MANU	Employment in manufacturing
EEA_ID_MFDNEC	Employment in other durable manufacturing
EEA_ID_MFNNEC	Employment in other nondurable manufacturing
EEA_ID_NMANU	Employment in nondurable manufacturing
EEA_ID_NONGOODS	Employment in non-goods producing
EEA_ID_SV	Employment in services
EEA_ID_WOOD	Employment in wood products and logging
ID0AHEMF	Average hourly earnings in manufacturing
ID0CRCROP	Cash receipts, crops, not seasonally adjusted
ID0CRLVSTK	Cash receipts, livestock, not seasonally adjusted
ID0EXFP	Farm production expenses
ID0HSPR	Housing starts, total
ID0HSPRS1_A	Adjusted housing starts, single units
ID0HSPRS2A_A	Adjusted housing starts, multiple units
ID0KHU	Housing stock, total
ID0KHU1	Housing stock, single units
ID0KHU2A	Housing stock, multiple units
ID0NB	Number of births
ID0ND	Number of deaths
ID0NMG	Net in-migration of persons
ID0NPT	Resident population

ID0WBB\$	Wage and salary disbursements
ID0WBBCC\$	Wage and salary disbursements, construction
ID0WBBF\$	Wage and salary disbursements, farm
ID0WBBMF\$	Wage and salary disbursements, manufacturing
ID0WBBMIL\$	Wage and salary disbursements, military
ID0WBBOTH\$	Wage and salary disbursements, except farm, manufacturing, and construction
ID0WRWCC\$	Average annual wage, construction
ID0WRWMF\$	Average annual wage, manufacturing
ID0WRWOTH\$	Average annual wage, except manufacturing, construction, and farm
ID0YDIR\$	Dividend, interest, and rent income
ID0YFC\$	Corporate farm income
ID0YINV_R\$	Farm inventory value changes, imputed rent, and income
ID0YP	Total personal income, 2000 dollars
ID0YP\$	Total personal income
ID0YP\$PC	Per capita personal income
ID0YPNF	Nonfarm personal income, 2000 dollars
ID0YPNF\$	Nonfarm personal income
ID0YPNFPC	Per capita nonfarm income, 2000 dollars
ID0YPPC	Real per capita personal income
ID0YPRF\$	Net farm proprietors' income
ID0YPRNF\$	Nonfarm proprietors' income
ID0YPTXB	Tax base, 2000 dollars
ID0YRA\$	Residence adjustment, personal income
ID0YSI\$	Contributions for social insurance
ID0YSUP\$	Other labor income
ID0YTR\$	Transfer payments to persons
ID0YTRF\$	Government payments to Idaho farmers
IDWAGE	Average annual wage
YPADJ_ID	Adjusted total personal income



## EXOGENOUS VARIABLES

CNCSR	Personal consumption expenditures, clothing and shoes, 2000 dollars, chain
weighted	
CNOOR	Personal consumption expenditures, other nondurable goods, 2000 dollars, chain weighted
CRCATCVS	Cash receipts, U.S. cattle and calves
CRCROP	Cash receipts, U.S. crops
CRDAIRY	Cash receipts, U.S. dairy
DUM061ON	These are dummy variables used in regression equations for the purpose of capturing the impacts of discrete economic or noneconomic event such as strikes, plant opening, or closures, unusual weather conditions, etc.
DUM911011	
DUM911034	
DUM931964	
DUM951ON	
DUM98011004	
DUM981ON	
TREND	
EG91	Employment in federal government
ENRM21	Employment in mining
GFMLCWSS	Federal government defense personnel outlays
ID0IP2122_2123	Industrial production index, metal and nonmetal ore mining, 2002=100.0
ID0IPMFDNEC	Industrial production index, other nondurable goods, 2002=100.0
IPSG21	Industrial production index, mining, 2002=100.0
IPSG311	Industrial production index, food, 2002=100.0
IPSG321	Industrial production index, wood products, 2002=100.0
IPSG322	Industrial production index, paper, 2002=100.0
IPSG323	Industrial production index, printing, 2002=100.0
IPSG3253	Industrial production index, agricultural chemicals, 2002=100.0
IPSG332	Industrial production index, fabricated metal products, 2002=100.0
IPSG333	Industrial production index, machinery, 2002=100.0
IPSG3341	Industrial production index, computer and peripheral equipment, 2002=100.0
IPSG51111	Industrial production index, newspaper publishing, 2002=100.0
JEXCHOITPREAL	Real US trade-weighted exchange rate with other important trading partners
JPC	Implicit price deflator, personal consumption, 2000=100.0, chain weighted
JULCNF	Index of unit labor costs, nonfarm business sector, 1992=1.0
N	Population, U.S.
NP16	Population, U.S., aged 16 and older
RADR	Real research and development spending, 2000 dollars, chain weighted
RMMTGEXIST	Effective conventional mortgage rate, existing homes, combined lenders
SP500	Standard & Poor's 500 index of common stocks
TRF\$	Government payments to U.S. farms
TXSIEC	Personal contributions for social insurance, U.S.
WPI01	Producer price index, farm products, 1982=1.0
WPI02	Producer price index, processed foods and feeds, 1982=1.0

WPI08	Producer price index, lumber and wood products, 1982=1.0
WPI10	Producer price index, metals and metal products, 1982=1.0
YP	Personal income
YPAINT	Personal interest income
YPCOMPSUPPAI	Other labor income, U.S.
YPCOMPWSD	Wage and salary disbursements
YPPROPADJNF	Nonfarm proprietors' income (with inventory valuation and capital consumption adjustments)
YPRENTADJ	Rental income of persons with capital consumption adjustment
YPTRFGF	Federal transfer payments to individuals
YPTRFGSL	State and local transfer payments to individuals
ZADIV	Dividends